

Meeting with Investors

Jorge Soto
August 19th, 2015

 **Braskem**



This presentation contains forward-looking statements. These forward-looking statements are not solely historical data, but rather reflect the targets and expectations of Braskem's management. The terms "anticipate," "believe," "expect," "foresee," "intend," "plan," "estimate," "project," "aim" and similar terms are used to indicate forward-looking statements. Although we believe these forward-looking statements are based on reasonable assumptions, they are subject to various risks and uncertainties and are prepared using the information currently available to Braskem.

This presentation was up-to-date as of June 30, 2015, and Braskem does not assume any obligation to update it in light of new information or future developments.

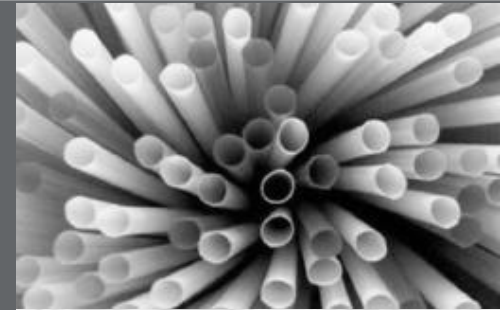
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HOW BRASKEM CREATES SHARED VALUE

Business Model

Strategy & Results

Value Distribution



CREATING SHARED VALUE BUSINESS MODEL

Braskem

Largest Polymers Producer of the Americas
Largest Biopolymer producer of the World



- ▶ US\$ 3.6 billion market cap (from 0.2 bi in 2002)
- ▶ 8126 Team Members across 29 facilities in Brazil, 5 in the US and 2 in Germany
- ▶ 23 laboratories and 7 pilot plants

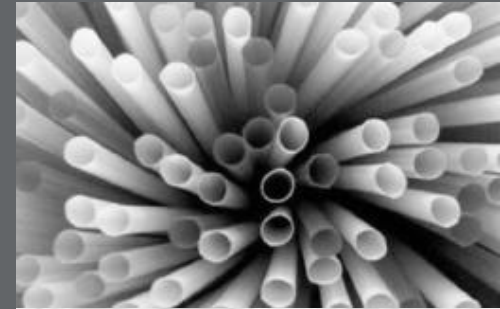
1. Current feedstock mix strongly based on naphtha, leading to **higher cost** vs. gas-based competitors and could create **exposure to carbon pricing mechanisms**.
 - ▶ Pioneer and global leader in renewable-based polymers, which can partially **offset effect of carbon pricing**.
 - ▶ Use of plastic **reduces GHG emissions**.
2. **Challenges in the Brazilian economy environment:** high tax burden, energy prices and infrastructure issues.
 - ▶ New investments focused on **feedstock matrix** and **geographical diversification** (Braskem Idesa: gas-based)
 - ▶ Ability to increase **customer loyalty and competitiveness** through value chain enhancement initiatives: **PICPlast, ICV Global**
3. **Third party claims supposed inappropriate payments.**
 - ▶ Braskem is not under investigation
 - ▶ **Strong corporate culture** and monitoring mechanisms (incl. **SOX compliance**) to ensure issues are identified and dealt with appropriately. Two independent law firms hired to carry out internal investigations on specific allegations being made. Voluntary process.
4. Increased **water scarcity** in some of the company's areas of operation (Bahia and São Paulo).
 - ▶ Investment in **water reuse projects** to ensure adequate water supply without competing with domestic users.
5. Lack of appropriate **post consumption** solutions in many countries compromises image of plastics as a 'sustainable' material.
 - ▶ Developing recycling solutions: **Wecycle, ser+ realizador, PICPlast**

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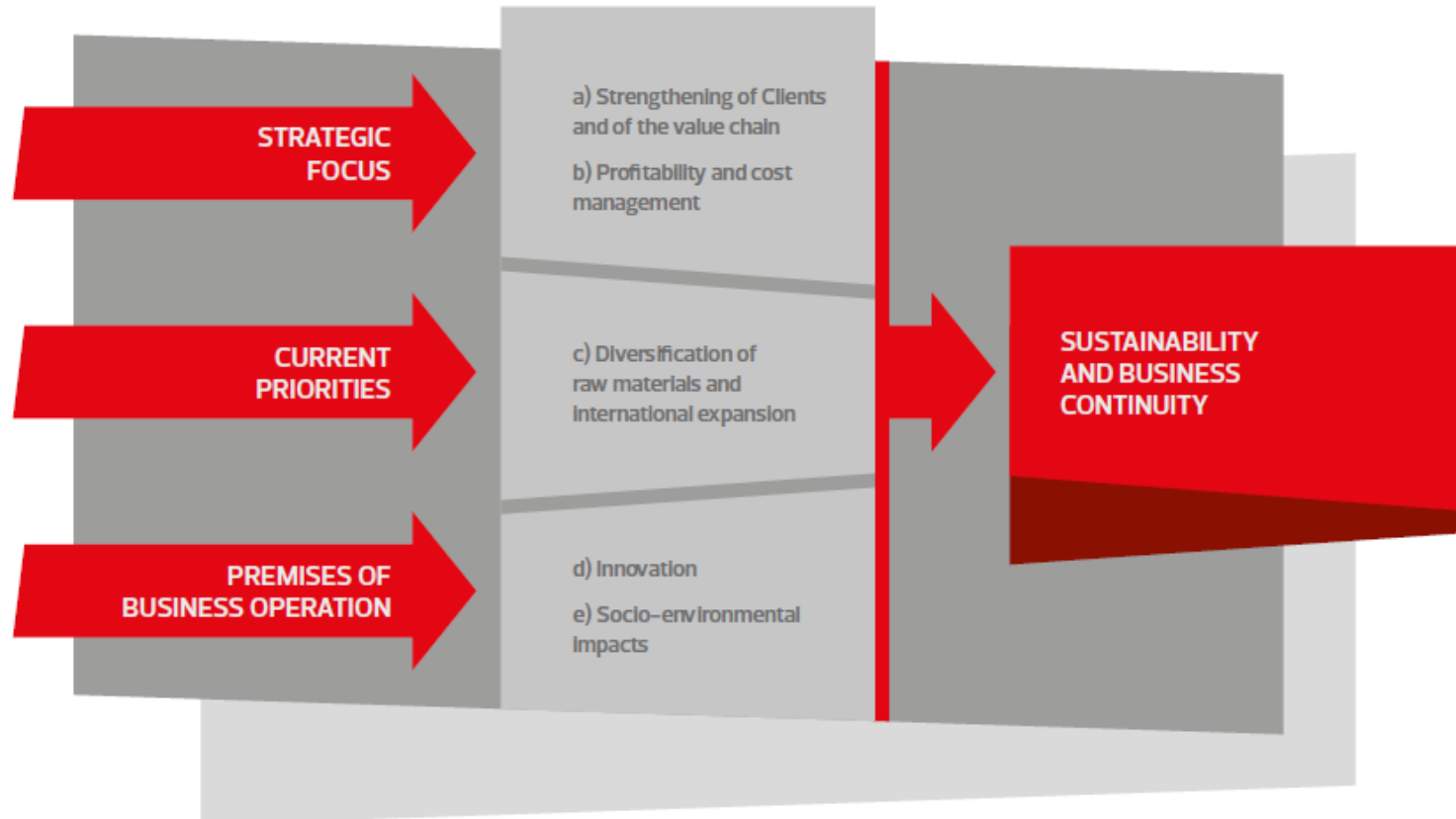
CREATING SHARED VALUE BUSINESS STRATEGY

Braskem

Purpose

Improve people's lives by creating sustainable solutions through chemicals and plastics

Strategy

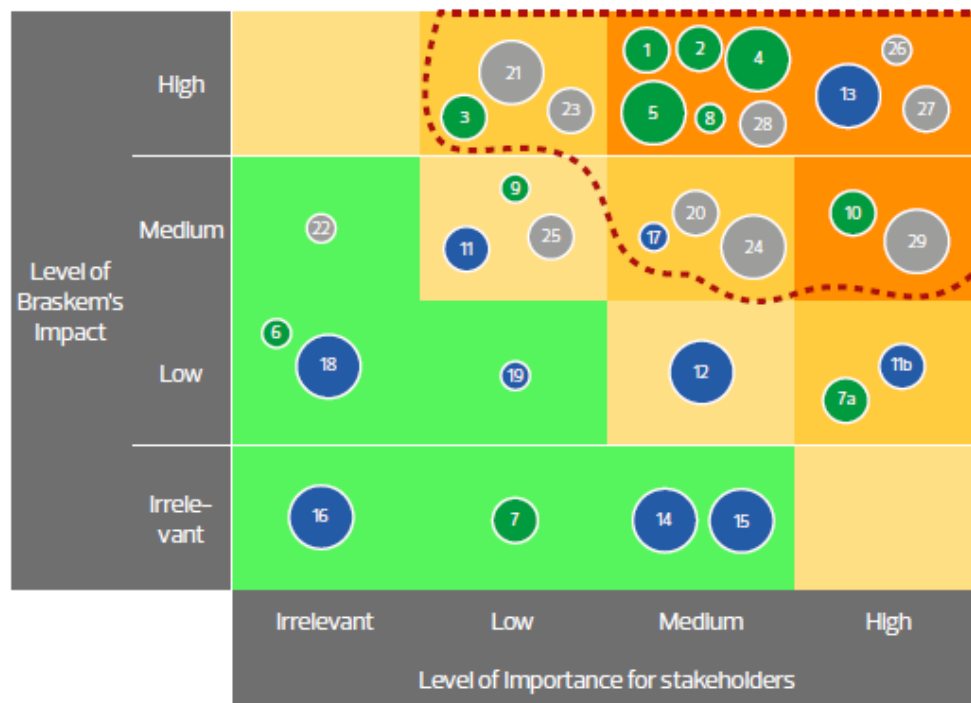


Values (TEO)

Serve the client with responsibility and innovation
Trust in people
Spirit of service

CREATING SHARED VALUE

MATERIALITY MATRIX



ENVIRONMENTAL

- (1) Non-renewable resources
- (2) Water
- (3) Climate change and energy
- (4) Air
- (5) Waste
- (6) Transportation
- (7) Biodiversity
- (7a) Biodiversity Mexico
- (8) Post-consumption
- (9) Suppliers – environmental management
- (10) Product development – environmental

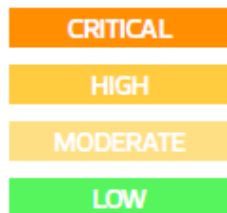
SOCIAL

- (11) Jobs
- (11b) Jobs – USA
- (12) Freedom of association
- (13) Health and safety
- (14) Training and career
- (15) Equal opportunities
- (16) Company security guards
- (17) Safe use of Braskem's products
- (18) Grievance mechanisms
- (19) Suppliers – social management

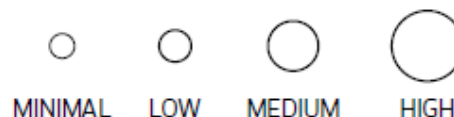
ECONOMY AND GOVERNANCE

- (20) Economic performance
- (21) Community investments and relationships
- (22) Receipt of government assistance
- (23) Local suppliers
- (24) Free competition
- (25) Fraud and corruption
- (26) Contribution to public policy
- (27) Product development – social
- (28) Labor from Local Communities
- (29) Transparency and integrity

MATERIALITY



LEVEL OF BRASKEM'S CONTROL OR INFLUENCE OVER THE ASPECT



MATERIAL ASPECTS

Financiers • Team Members • Shareholders • Communities • Academia • Government

CREATING SHARED VALUE

2020 STRATEGY & RESULTS



Increasingly
sustainable operations
and resources

Increasingly
sustainable product
portfolio

Solutions for
an increasingly
sustainable life.

CREATING SHARED VALUE 2020 STRATEGY & RESULTS

Braskem

Increasingly
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MACRO-OBJECTIVES AND GOALS FOR 2020

SAFETY

Be recognized as a reference in chemical, occupational and process safety in the global chemical industry.

ECONOMIC/FINANCIAL RESULTS

Be among the three largest producers of thermoplastic resins in the world, guaranteeing profitability that supports the continuity of the business, maintaining "Investment Grade" classification in the 3 main international agencies.

7th
largest global
thermoplastic
resins producer

By installed capacity

US\$
2.4 B
EBITDA

CAGR 15% from 2002

**INVESTMENT
GRADE**
Moody's, S&P, Fitch

CREATING SHARED VALUE 2020 STRATEGY & RESULTS

Braskem

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POST-CONSUMPTION

Be recognized as an important agent that contributes to the recycling of plastics.

PARTNERSHIPS
to foster plastics
post-consumption
solutions



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RENEWABLE RESOURCES

Be recognized as a leader in the production of chemicals and thermoplastic resins from renewable raw materials, continuing to be the world's largest producer of thermoplastic resins from renewable sources.



**LARGEST
GLOBAL
producer of
renewable-based
resins**

200 kt installed capacity

2.15_{tCO₂e}
**SEQUESTERED PER
TON OF GREEN PE**

95.7%

VERIFIED ETHANOL

PURCHASED JULY 2012-JUNE 2014
FROM MILLS WITH VALID 3RD PARTY
AUDITS AGAINST BRAKEM'S CODE
OF CONDUCT FOR ETHANOL
SUPPLIERS (10.7% increase on prior
period)

CREATING SHARED VALUE FOCUS ON INNOVATION & RENEWABLES

Braskem

R\$
232MM
(US\$ 92 MI)
IN INVESTMENTS

2014 Figures

15%
**REVENUE FROM
NEW PRODUCTS**

LAUNCHED IN THE PAST 3 YEARS

(2014 BRAZIL POLYOLEFINS UNIT)

**PATENTS
FILED**
852

AS OF APRIL 2014*

RENEWABLES

**First
Step**

Green
Polyethylene

**Ongoing
Projects**

Green
Butadiene

**Ongoing
Projects**

Green
Isoprene



FASTCOMPANY



CREATING SHARED VALUE

2020 STRATEGY & RESULTS

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WATER EFFICIENCY

Continue as a reference in the use of water resources in the global chemical industry and achieve a rate of reuse greater than 40%.

Water reuse rate (%)

23.8

2012



+ 18%

28.1

2014

➤ Reuse projects saved **18.7 billion liters** from being extracted from nature, that is **7,000 Olympic pools**, enough to supply a city of **500,000 people** for one year.

CREATING SHARED VALUE

2020 STRATEGY & RESULTS

Braskem

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MACRO-OBJECTIVES AND GOALS FOR 2020

CLIMATE CHANGE

Be among the best large chemical companies in the world in terms of greenhouse gas emissions (GHG) intensity and a major player in carbon sequestration, as a result of the use of renewable raw materials.

ENERGY EFFICIENCY

Be among the world's best large chemical companies in terms of energy consumption intensity and a major user of renewable energy.

GHG emissions (scope 1+2) (tCO₂e/t)



➤ Best peer group result: 0.56

Energy use (GJ/t)



➤ Best peer group result: 9.16

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LOCAL DEVELOPMENT

Be recognized by the communities surrounding our operational sites and by society in general for our contribution to the improvement of human development, as shown by achieving the reputation level of "excellent" in the Citizenship Dimension of our Reputation Survey (RepTrak™ Pulse).

DEVELOPMENT OF SOLUTIONS

Be recognized as a company that supports its Clients in the development of environmental and social solutions; contribute to the perception of plastic as a solution to sustainable development due to its potential to improve people's lives.

STRENGTHENING OF PRACTICES

Be recognized as a corporate leader in Brazil, as well as a global leader in the chemical industry, for our contribution to sustainable development.



(2005 – 2014)



(2008 – 2014)



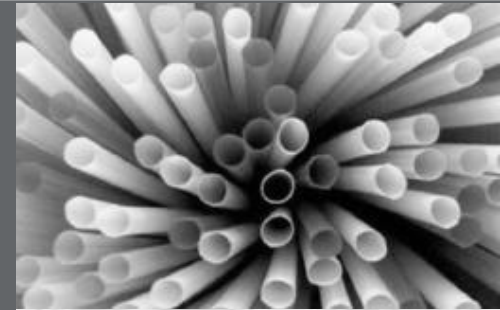
(2012 – 2014)

HOW BRASKEM CREATES SHARED VALUE

Business Model

Strategy & Results

Value Distribution



VALUE DISTRIBUTION

Braskem

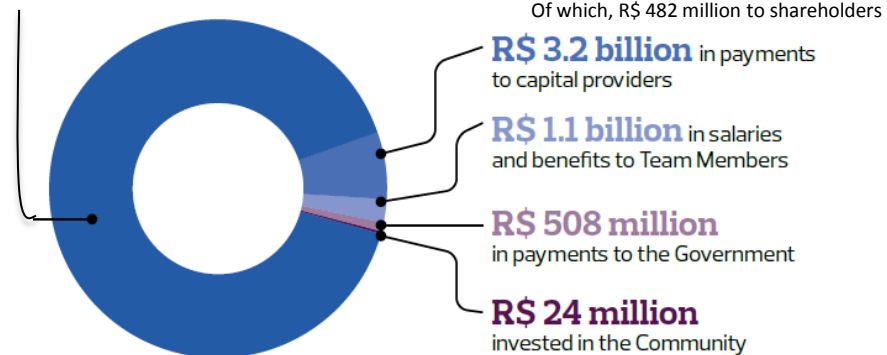
Products used as raw materials in the manufacture of consumer and industrial goods, which are essential to various fields, including healthcare, food, transportation, housing, technology, clothing, etc

Over 40,000 indirect jobs created, promoting socio-environmental development through chemical and plastics.



R\$ 45.6 billion

In payments to suppliers



R\$ 50.4 bi

Distributed Economic Value

SO WHY INVEST IN BRASKEM?



- ▶ Solid company **investing** to ensure its **long term success** through geographic, market and feedstock diversification, leading the way on **renewables**.
- ▶ **Responsible** in its management of direct and indirect **social** and **environmental** impacts.
- ▶ **Proactive** in identifying and harnessing the sustainable development benefits of its products, working with its value chain and society.
- ▶ **Significant market expansion** prospect of main product – plastics – which can make a **meaningful contribution** to sustainable development, reducing environmental impacts and increasing accessibility.

Thank you!

São Paulo, August 19th, 2015

Meeting with Investors

August 19th, 2015



Agenda

Meeting with Investors

- **AES Brasil overview**
- **Sustainable strategic planning**
- **Opportunities and challenges**
- **Sustainability – a business approach**
- **Value creation models**
- **Q&A section**



AES Corporation

Global Company

Natural gas and coal fired
thermal plants
25.6 GW of installed capacity



Over 8.3 GW of
Renewable sources¹



Distributed energy
+60MW of solar PV²
projects



World leader in
Energy Storage
Total of 228 MW³

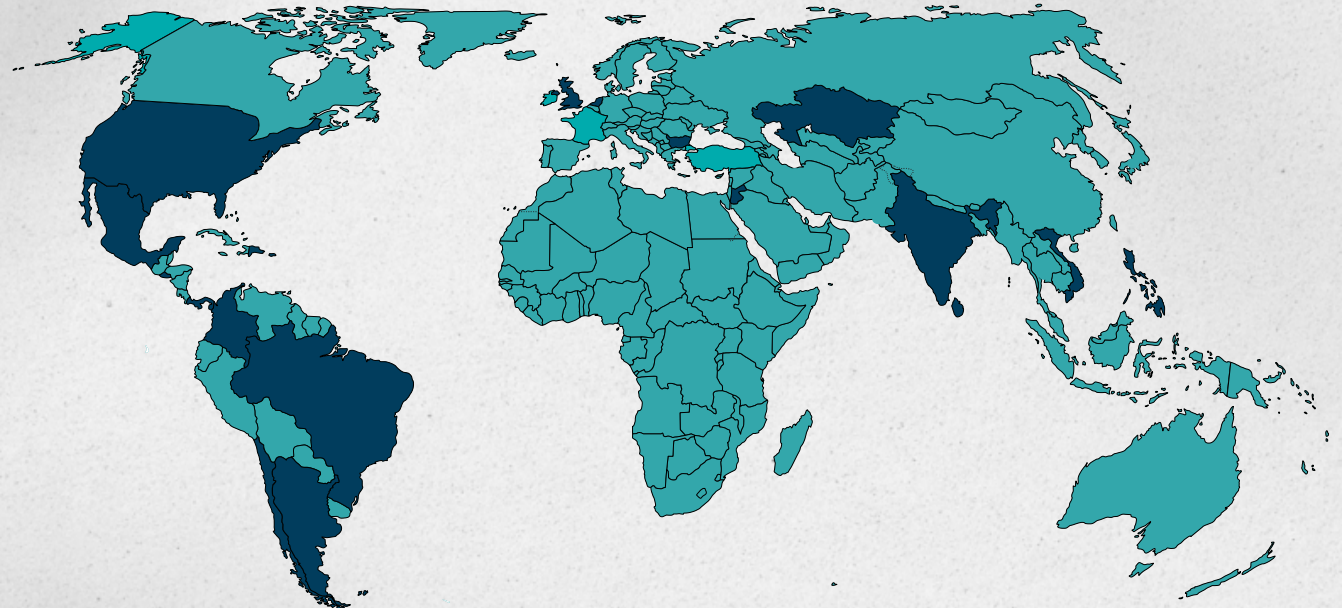


36 GW
installed
capacity

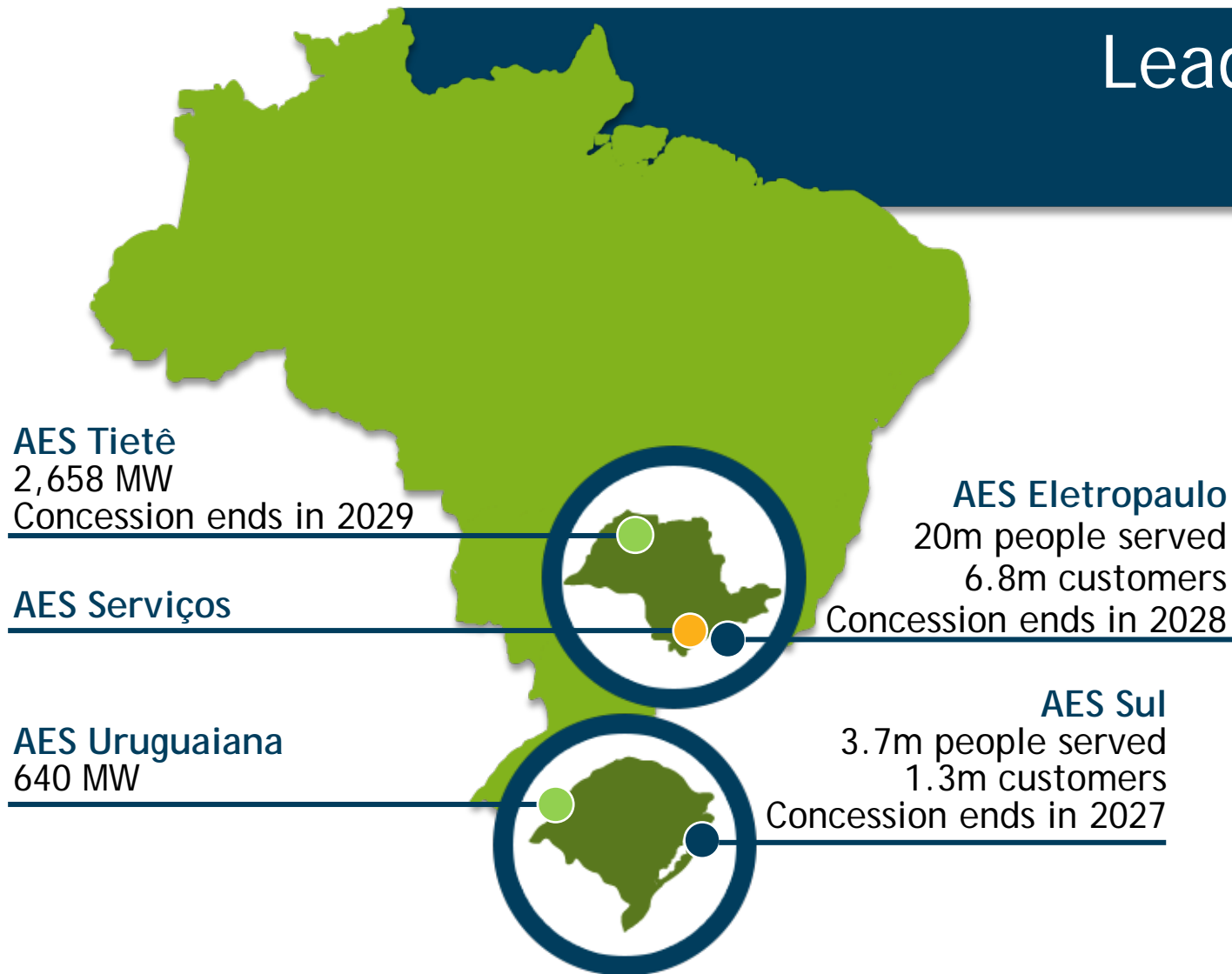
Providing
services to over
100 million
people

18.5
thousand
employees

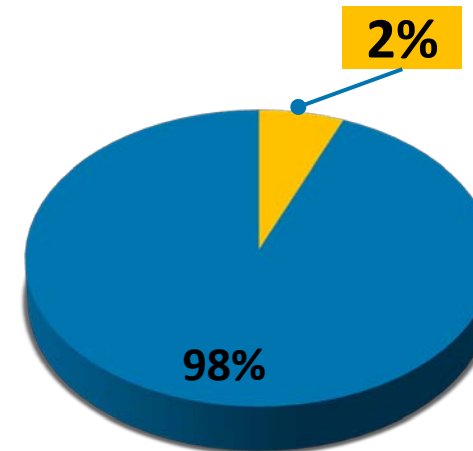
AES Corp is present in 18 countries and 4 continents



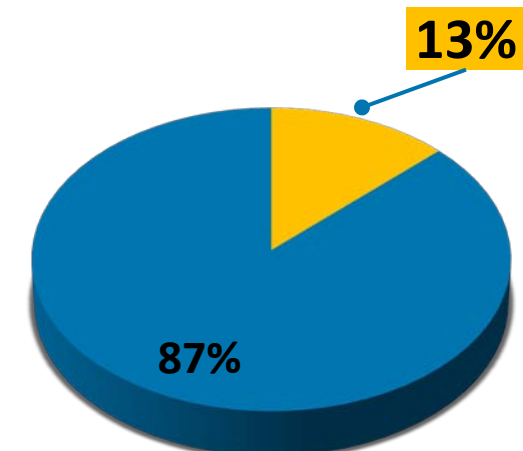
Leading position in the energy sector in Brazil



Generation¹
Market Share



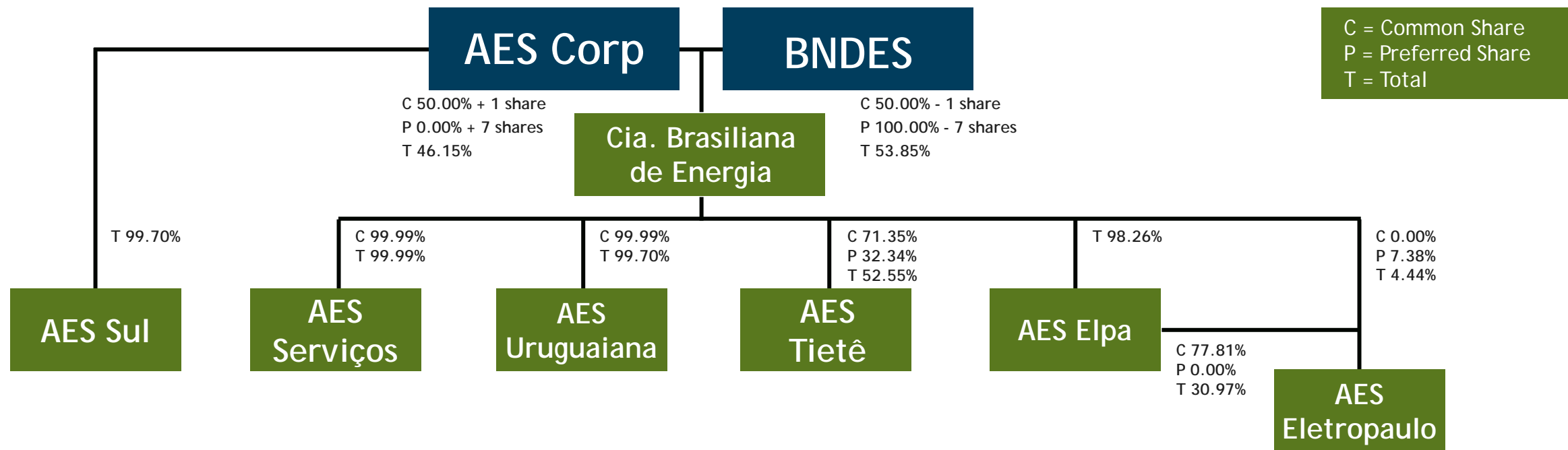
Distribution²
Market Share



AES Brasil

Other

Ownership Structure



AES Eletropaulo

AES Tietê

AES¹

16.1%

BNDES¹

19.2%

Free Float

56.3%

Others²

8.5%

Market Cap³

US\$ 0.7 bi

24.2%

28.3%

39.5%

8.0%

US\$ 1.9 bi

AES Brasil Mission, Vision and Values

Mission

To promote well being and development with the safe, sustainable and reliable provision of energy solutions



Vision

To be the leading power company in Brazil that safely provides sustainable, reliable and affordable energy

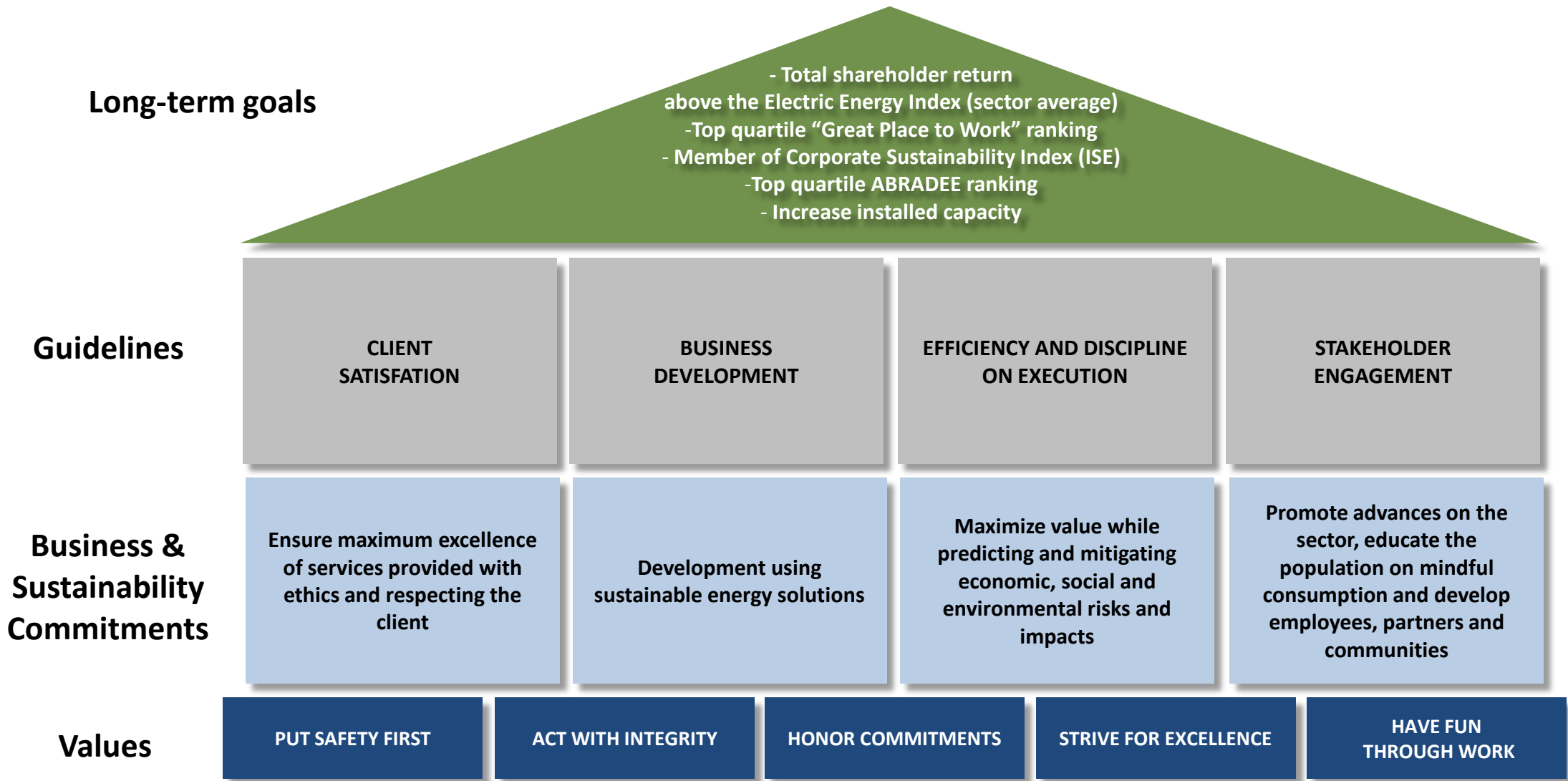


Values

- Put safety first
- Act with integrity
- Honor commitments
- Strive for excellence
- Have fun through work



Sustainable Strategic Planning 2015-2019



What's on?

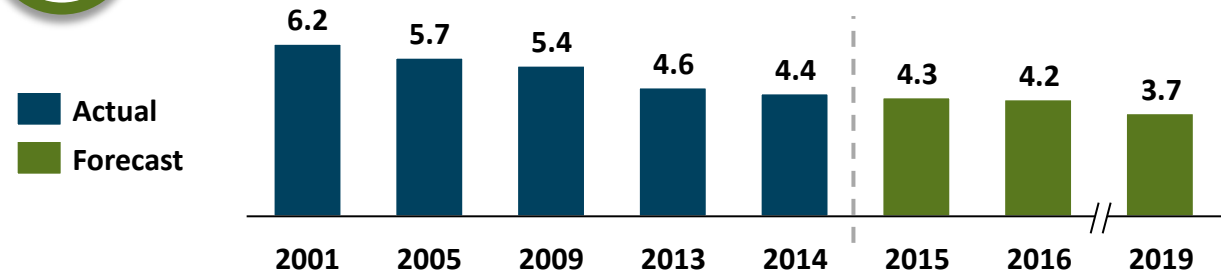
Opportunities and Challenges ahead



- Hydrology challenges
- Lower storage system



Storage capacity (months)¹



- Increase on Tariffs (Tariff Flags, Extraordinary Tariff Reset)
- Quality requirements / Innovation
- Economical / Growth perspectives (GDP, real income, level of employment)

Sustainability – a business approach: generation



External Factors

- Hydrology challenges
- Energy reliability and dispatchable energy



Strategic Guidelines

- Business development
- Efficiency and discipline on execution
 - Asset management
 - Reservoir management

Indicators

- Hydrology shortfall (GSF) impact
- Business development activities
- Manageable costs reduction/ Investment program:
 - Guidance of PMSO reduction
 - Increased reservoir inspection
 - Modernization / maintenance
 - Environmental risk mitigation
- Total shareholder return



**Pipeline of +1GW
CCGT (flexible and
firm energy)**



**Pipeline of
180MW of solar**



**Innovation & technology
Drone for the
management of reservoirs**

Sustainability – a business approach: distribution



External Factors

- Economical performance
- Consumption reduction
- Increase on tariff
- Bad debt / delinquency
- Climate challenges



Strategic Guidelines

- Client satisfaction
- Efficiency and discipline on execution
- Stakeholder engagement: education on mindful consumption and communities development

Indicators

- SAIDI / SAIFI levels
- ISQP (perceived satisfaction level)
- Manageable costs reduction/ Investment program
- Total shareholder return
- Safety (employees and population)
- Global Losses
 - CO₂ emissions
 - Delinquency
 - Regularization of clients

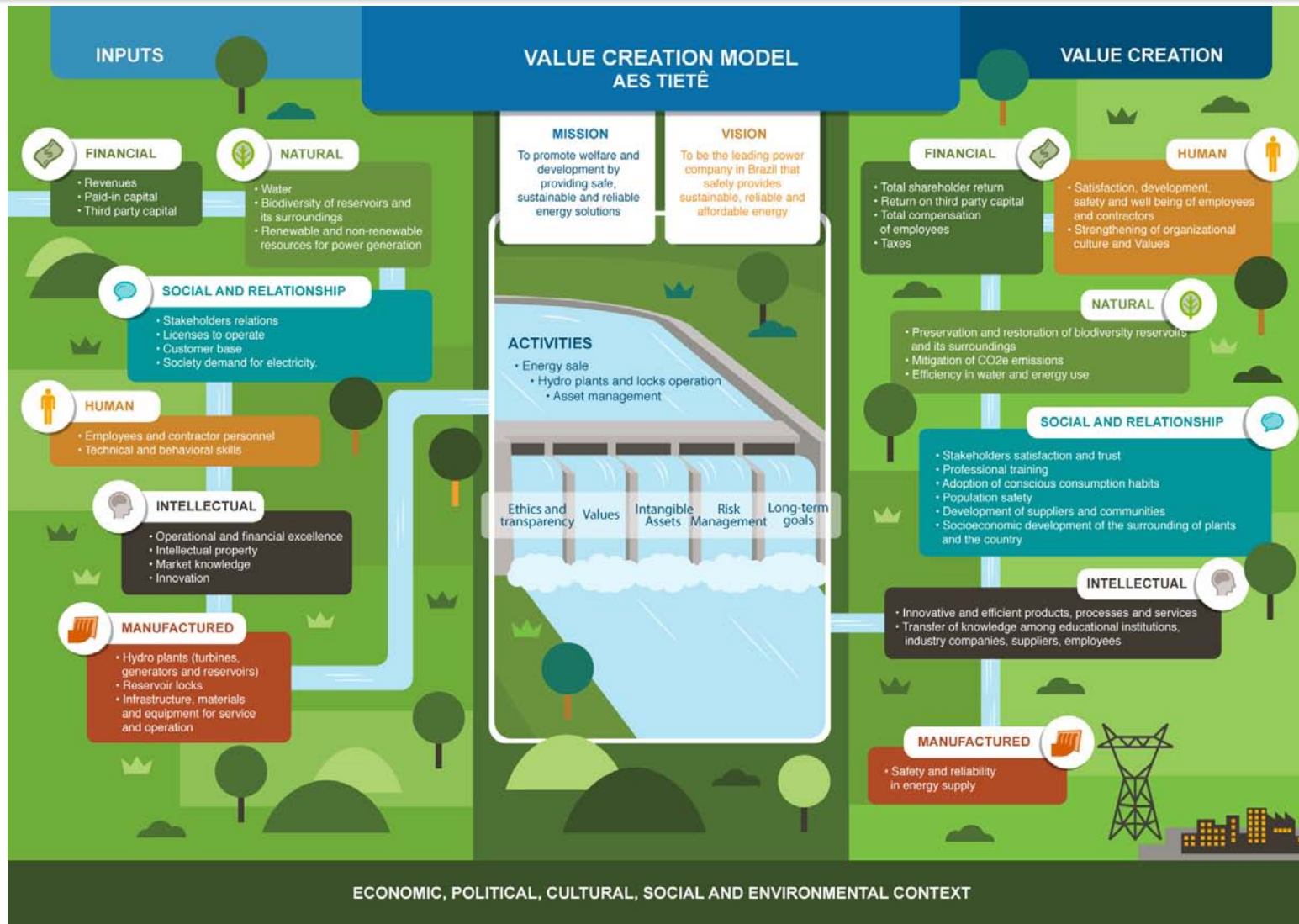


**Consumers into Clients
Program**

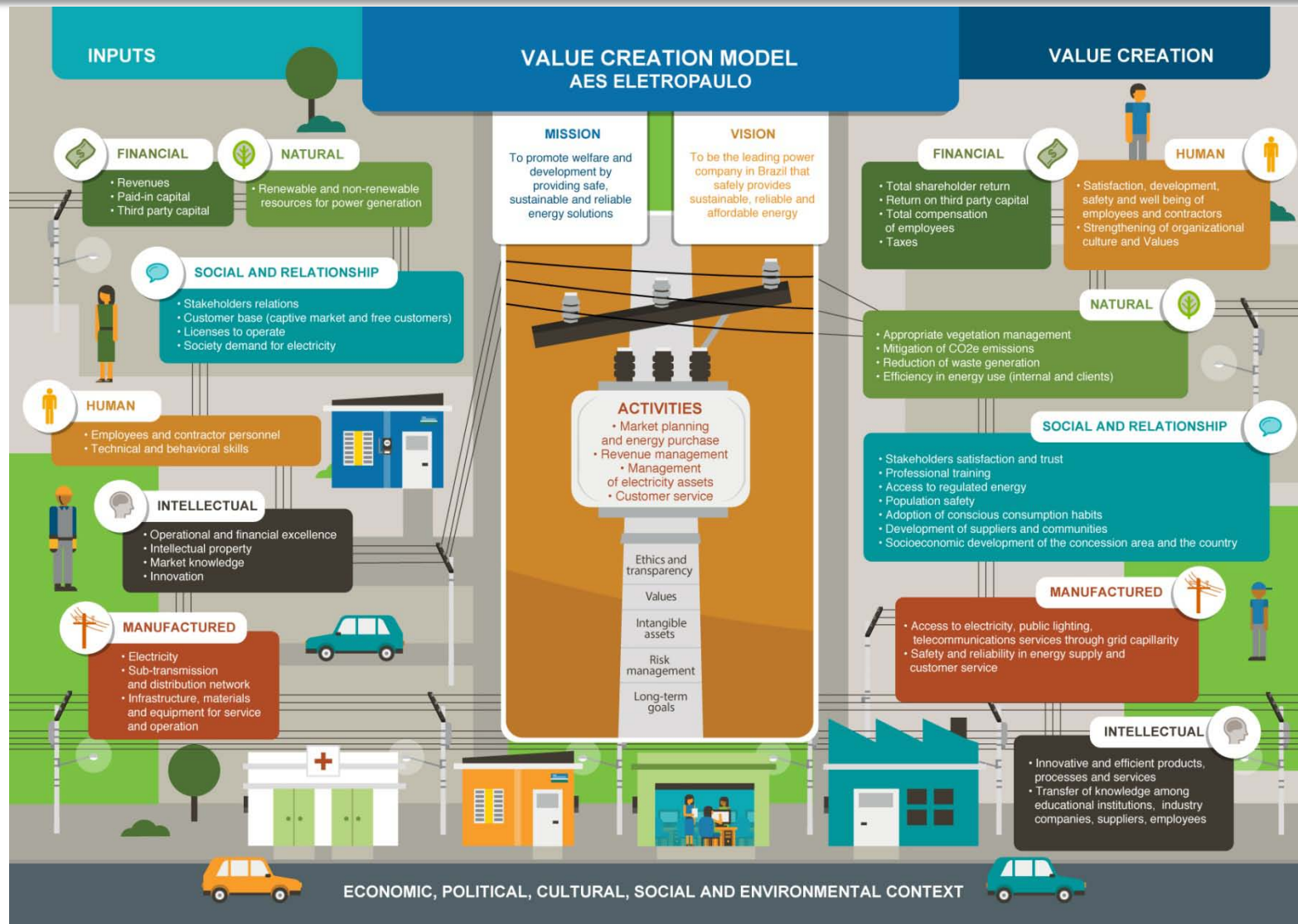


**Recycle
More, Pay Less**

Value creation models



Value creation models



Contact for further information

- Investor Relations Team:

ri.aestiete@aes.com

ri.aeseletropaulo@aes.com

<http://ri.aestiete.com.br>

<http://ri.aeseletropaulo.com.br>

- Sustainability Team:

sustentabilidade@aes.com

<http://www.aesbrasilsustentabilidade.com.br>



August 2015



Investor Meeting | Integrated Report <IR>



Company Overview

OVERVIEW

- One of Brazil's **biggest** and **most internationalized** companies:

7th largest public **food company** in the world by market cap;

4th largest exporter in Brazil, reaching more than 120 countries;

5th largest employer in Brazil, with more than 104 thousand employees

- One of the **world's largest food companies**:

More than **2,300 products**;

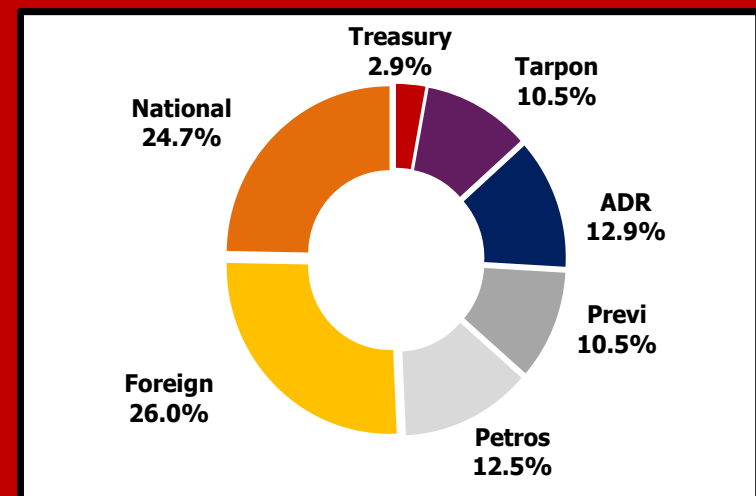
Present in **most part of Brazil's** territory;

34 production units in Brazil and **10** abroad.

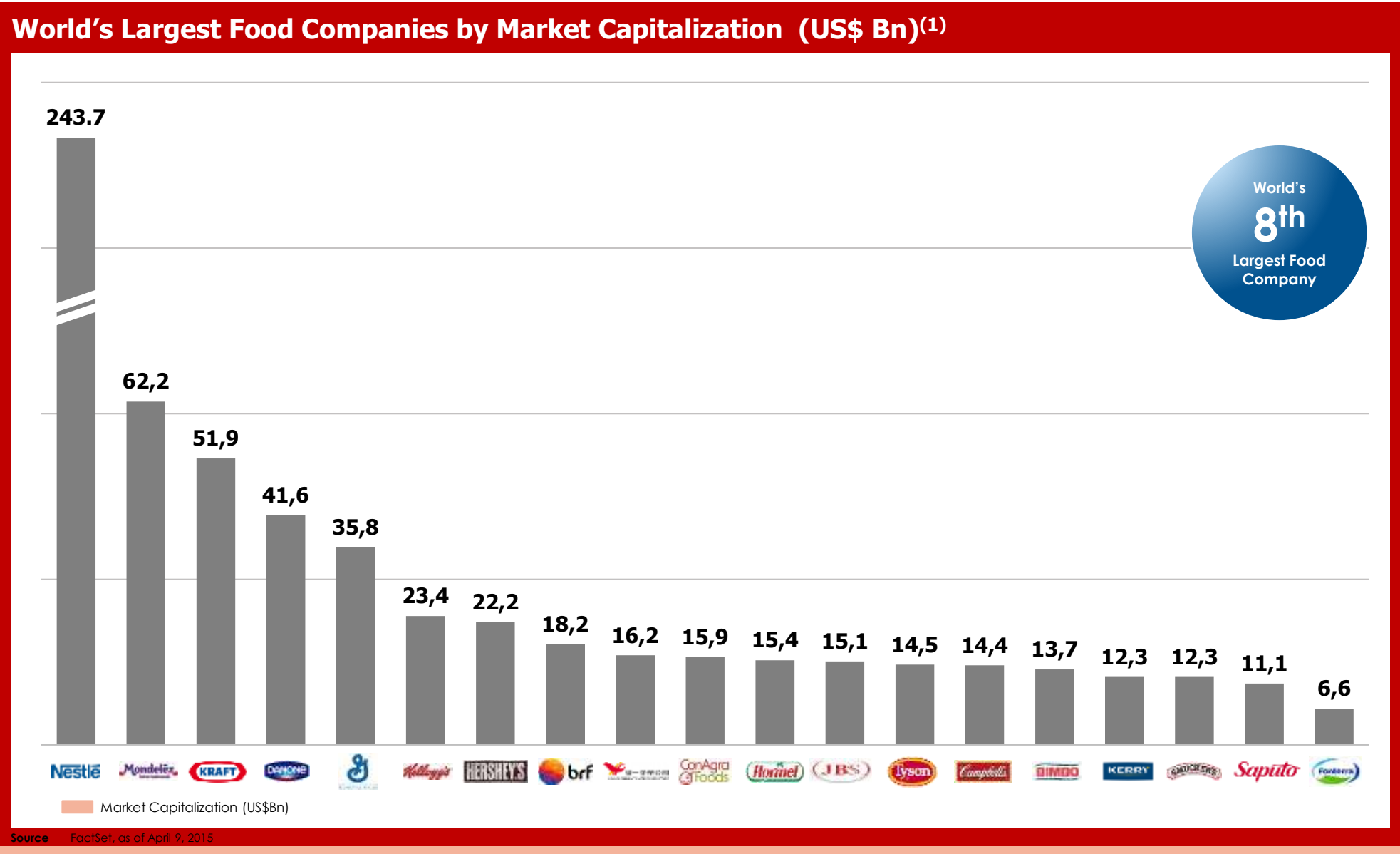
MOST RELEVANT BRANDS



DIFFUSED CONTROL



Large Company with Global Scale



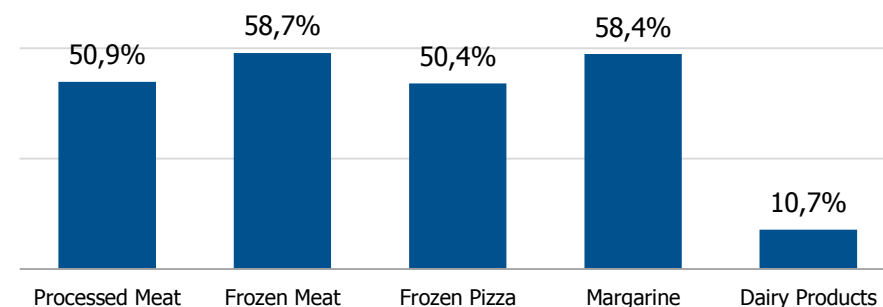
Dominant Market Position with Strong Brands

Scale and Leadership in Brazil and Globally

- Largest Brazilian food company, with size and scale to compete both in the domestic market and globally
 - 4.7 million tons of products sold in 2014
 - Undisputed leadership across categories
- Leadership through branding and innovation
 - Highly recognized brands in Brazil and in international markets
 - Continuous portfolio recycling
 - Over 2,300 SKUs

Leader in Processed Food in Brazil

BRF's Share of Brazilian Market – % of Value



Source: AC Nielsen, as of October/November/December

The Most Valuable Brands in The Food Segment in Brazil and Latin America

"+US\$1Bn" Brands

Sadia



1st

Most Valuable Brand in Brazil
Isto É Dinheiro Magazine



PERDIGÃO

2nd

Most Valuable Brand in Brazil
Isto É Dinheiro Magazine



Other Leading Brands

Brazil



International



Widespread Presence in Brazil and Strategically Located Global Platform

Extensive Distribution Network

- Largest distribution network of frozen and chilled products in Brazil
 - Virtually full coverage of the country
 - Efficient delivery to thousands of small retailers (largest client accounts for less than 5% of revenues)
- Exports to over 120 countries in 5 continents

More than
220k
Clients in
Brazil

Coverage of
95%
of Brazil's
Territory

More than
680k
Monthly
Deliveries in
Brazil

International Presence

More than
120
Importing
Countries

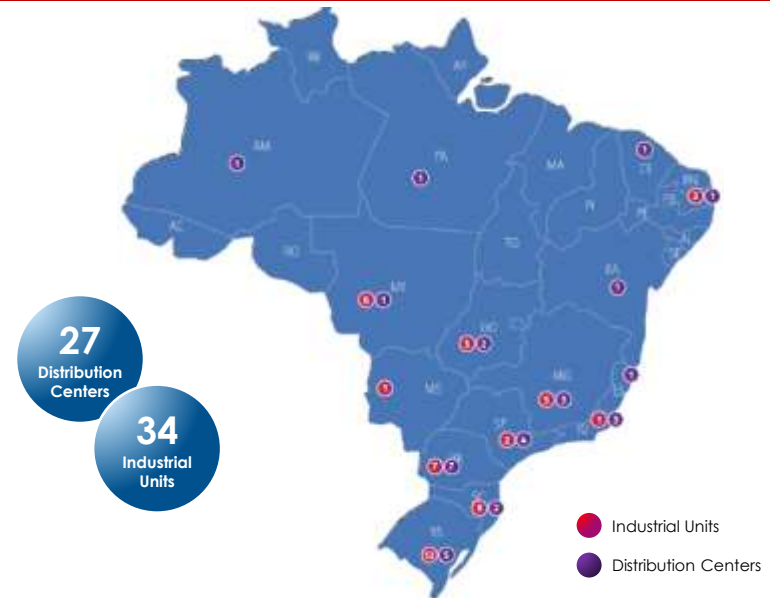
10
Indust. Units
Abroad

19
Offices
Abroad



Source Company

Reach of Virtually All Brazilian Territory

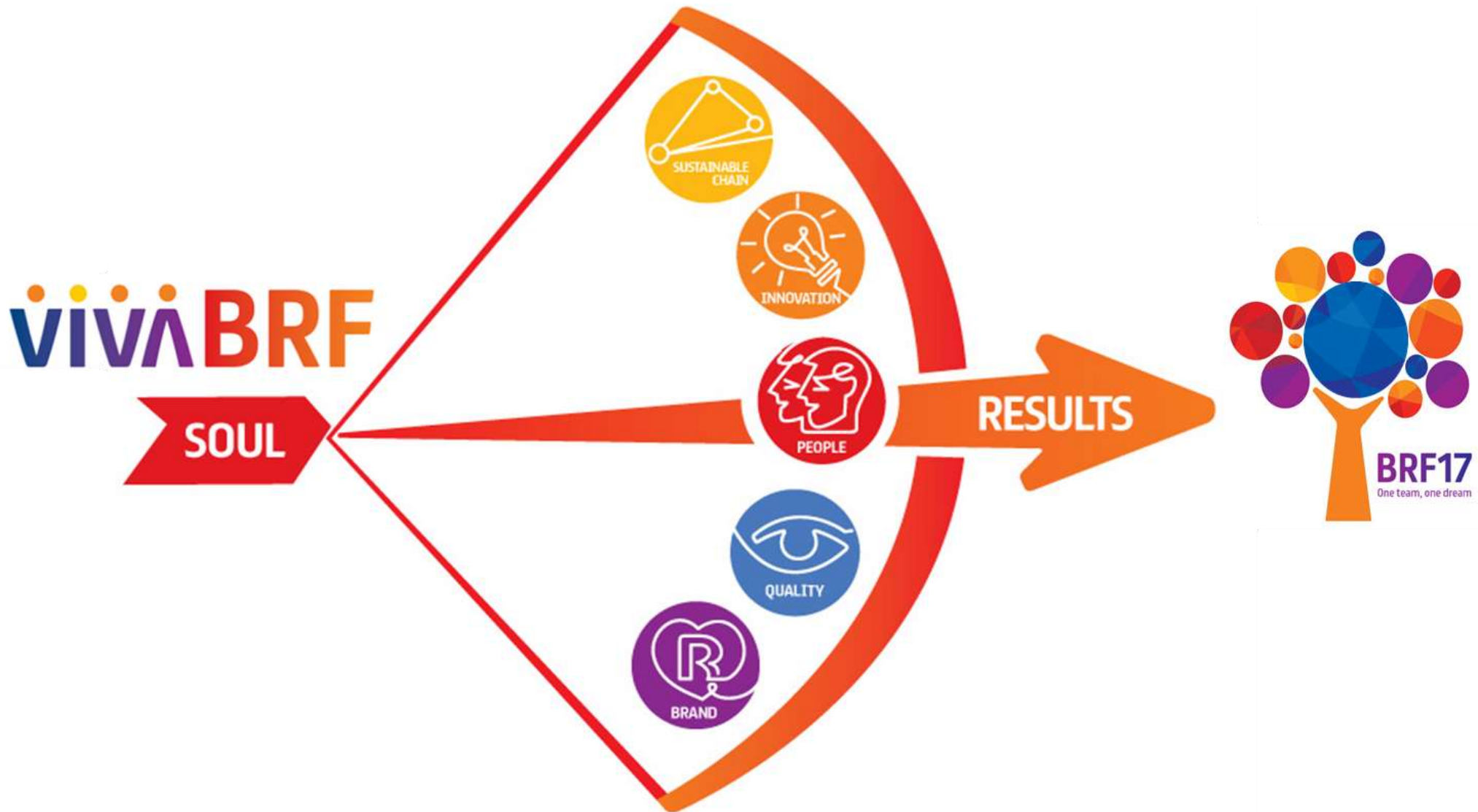


Source Company



Business Strategy

Management Model



Corporate Structure

DECENTRALIZED STRUCTURE



Our new model is based on strengthening the leading role and autonomy of the Company's five regional structures:

- Brazil;
- Europe/Eurasia;
- Asia;
- Middle East; and
- Latin America;

These five General Managers will report to the Global CEO, and they will have the support of the Corporate Areas of:

- Quality and Management;
- Innovation and Marketing;
- Supply Chain;
- Legal Affairs;
- Finance; and
- People;

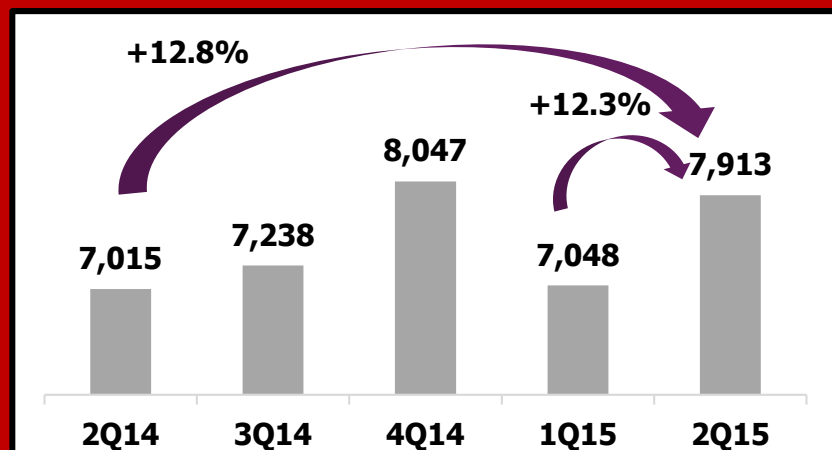


Financial Highlights

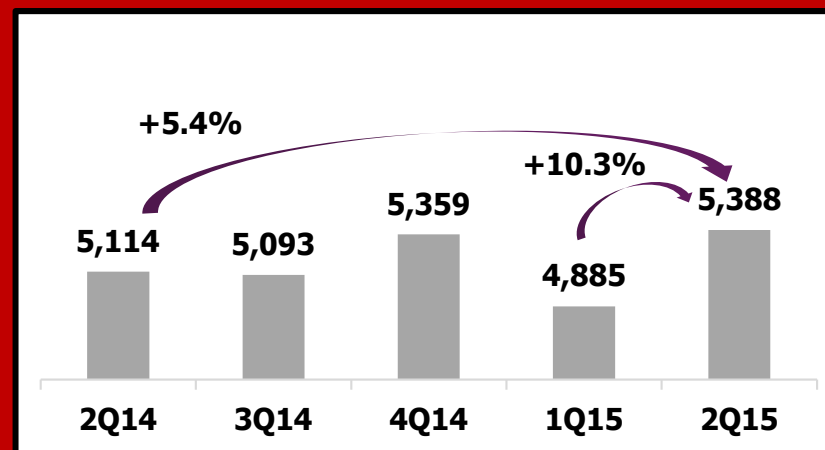
Consolidated Performance



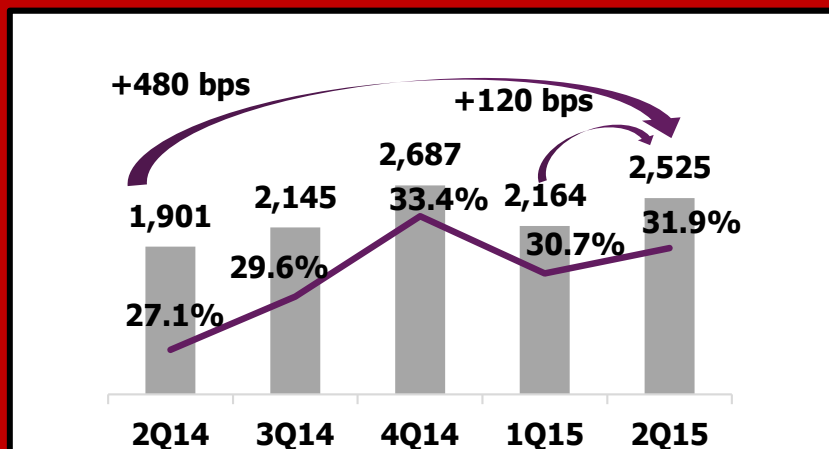
NOR (R\$ MILLION)



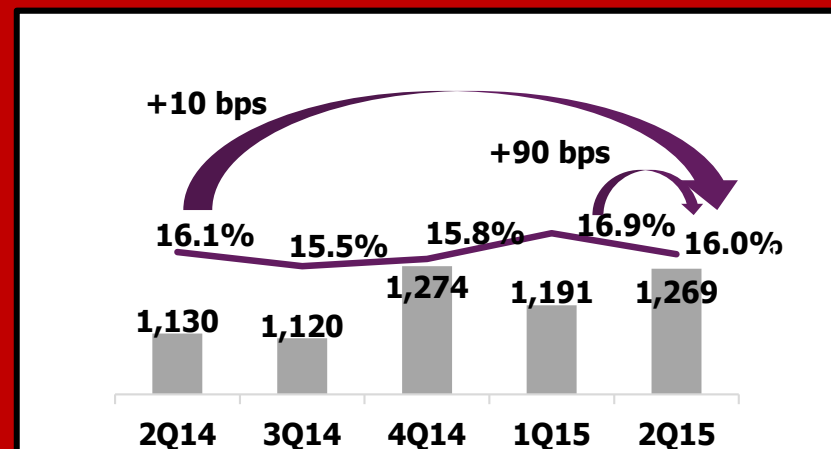
COGS (R\$ MILLION)



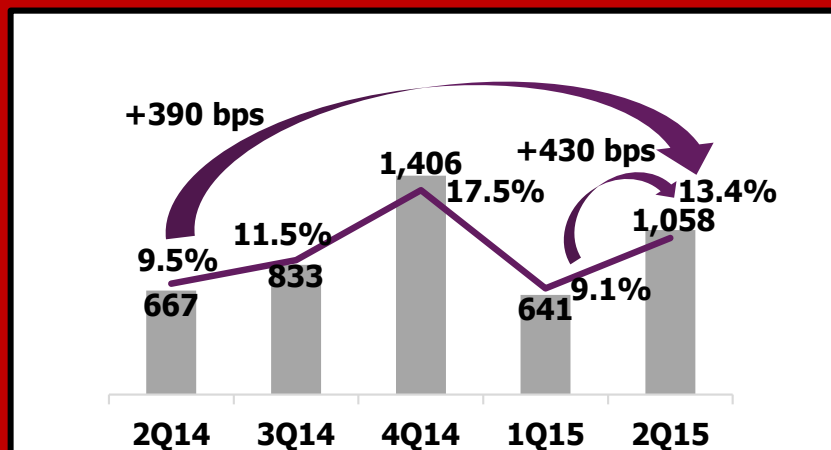
Gross profit (R\$ MILLION)



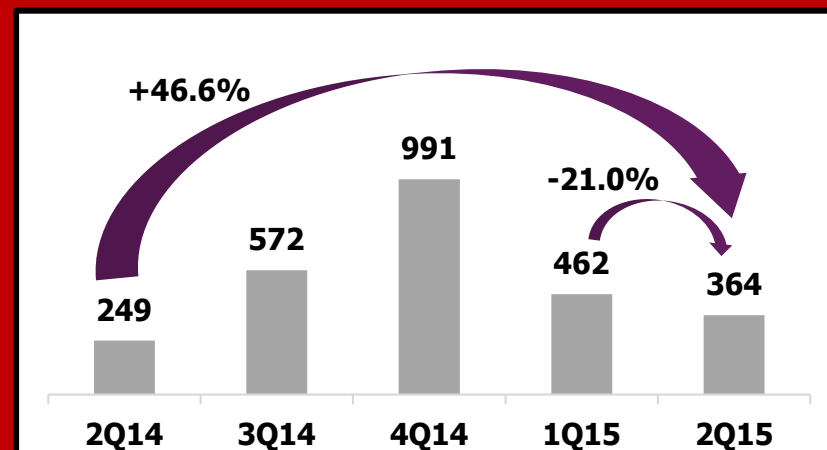
SG&A (R\$ MILLION)



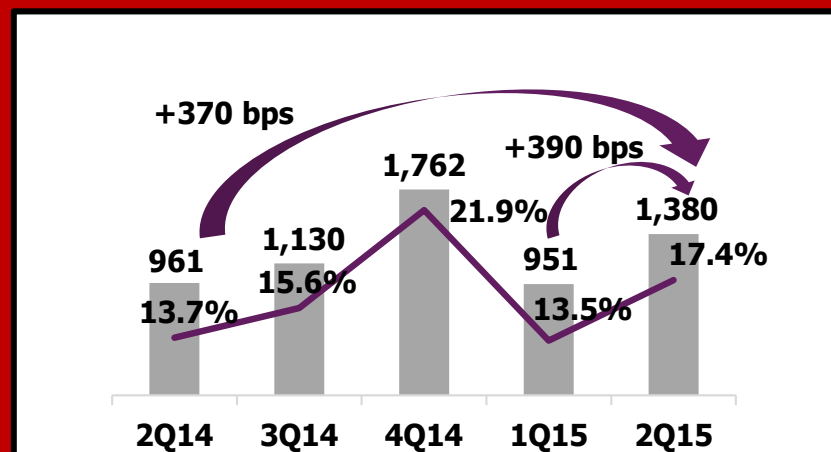
EBIT (R\$ MILLION)



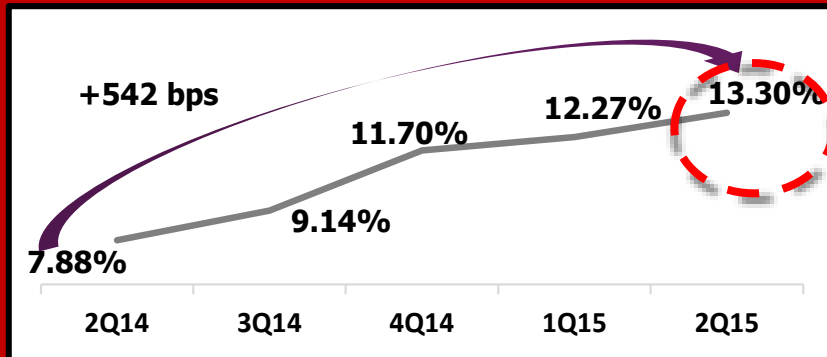
Net Profit (R\$ MILLION)



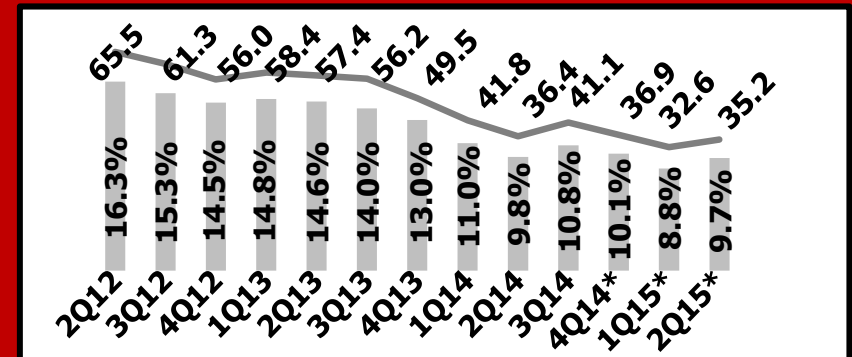
EBITDA (R\$ MILLION)



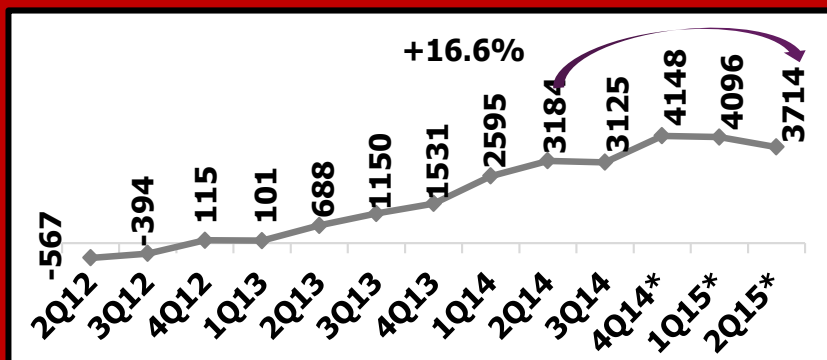
ROIC



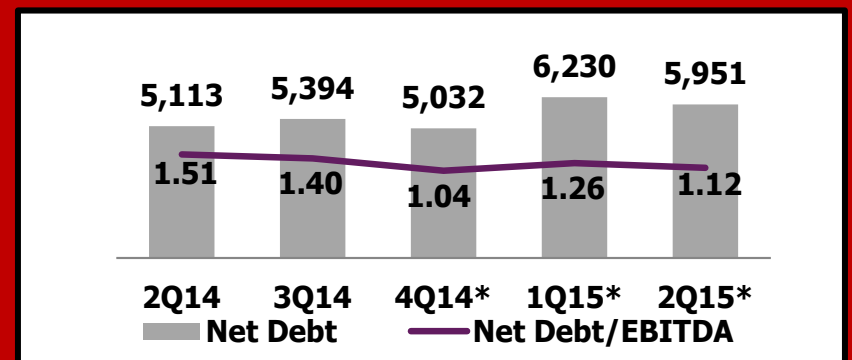
Financial Cycle



Cash Flow



Net debt/EBITDA

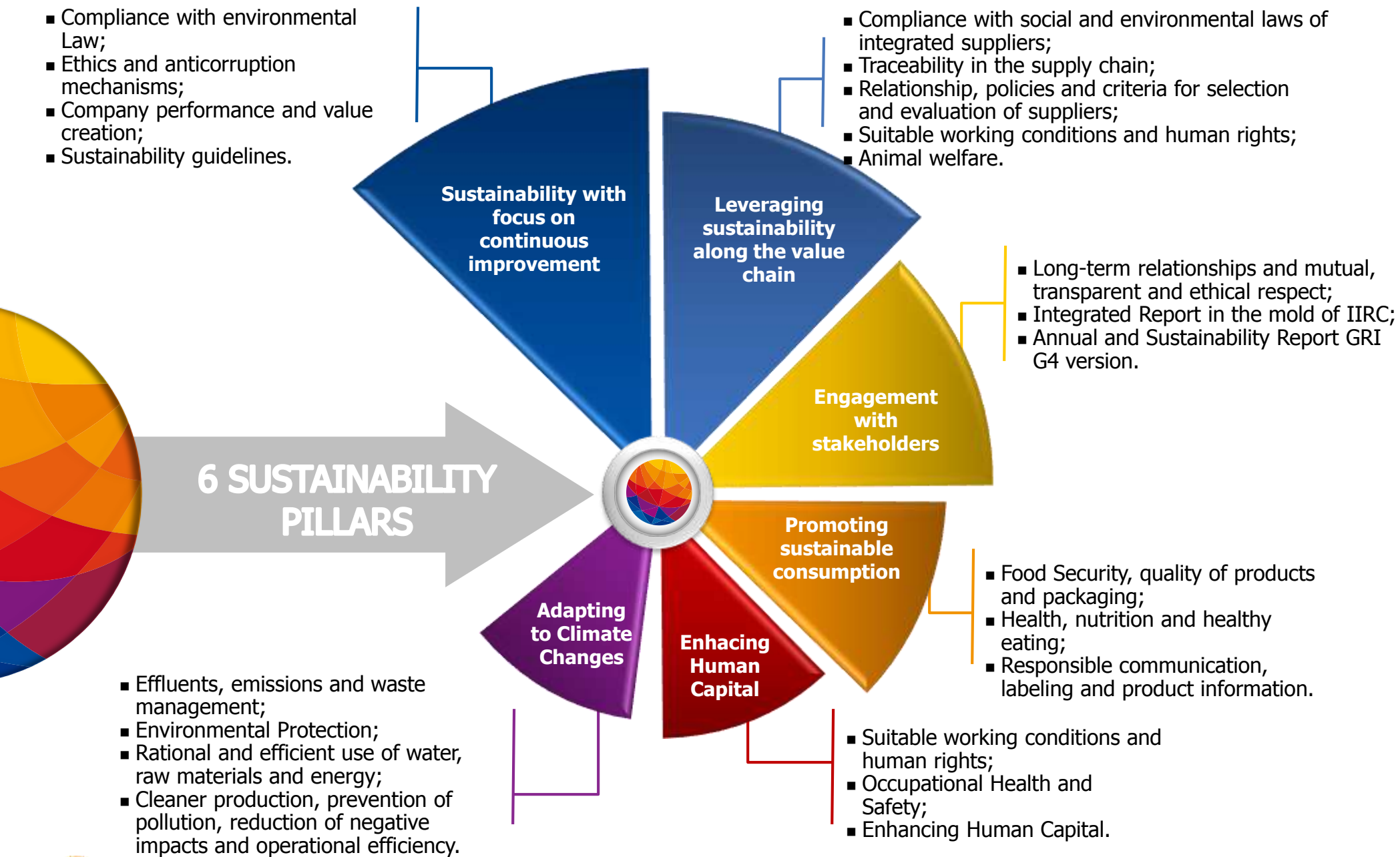


*Considering only the result of the continued operations result for the multiple calculation (without Dairy products), other quarters consider continued and discontinued operations.



Green Bonds

BRF's Sustainability Strategy



First private placement of GBs in Brazil

- International market is attractive without the use of tax incentives;
 - International markets do not require unique rules, but require transparency in reporting and specific audits;
 - Reputational gains;
 - Access to diversified capital;
 - Access to responsible investors with medium to long term view;
 - Long-term funding for initiatives with proven social and environmental gains.
-
- **BRF – Value: 500 MM (Euros):**
 - ✓ The notes won't be sold in Brazil (offered to institutional investors);
 - ✓ Annual coupon interest of 2.750% p.y. (Yield to maturity 2.822%);
 - ✓ Launch in June /15, maturing in June /22 (7 years);
 - ✓ Senior unsecured obligations;
 - ✓ Participating banks: Morgan Stanley, BNP Paribas, Santander, BofAML, Deutsche and Citi;
 - ✓ Second Opinion: Sustainalytics.

Eligible Categories

Energy Efficiency

- Replacement of refrigeration equipment with more efficient models in terms of energy;
- Installation of more efficient lighting systems;
- Thermal energy reuse in the production process;
- Optimization of production processes to reduce energy waste;



Renewable Energy

- Increase in power generation capacity in PCH Salto Lion;
- Installation of biomass boilers for power cogeneration (steam / electricity);
- Installation of solar and wind power generation technology;



Sustainable Forests

- Eucalyptus forest production for biomass supply for power generation and steam in industries;
- Harvesting and replanting, maintaining soil quality and biodiversity;
- Soil preparation, purchase of seedlings, soil fertilization and pest control;



Eligible Categories

GHG Emission Reduction

- Reduction of methane emission on the processes;



Water management

- Reduction of water consumption;
- Automation of manufacturing process equipment to supply water only on demand;
- Process optimization;
- Reuse of water;
- Rain water harvesting;
- Improvement in wastewater management;



Waste Management

- Overall reduction in waste generation through the installation of equipment;
- Reuse processing waste as an alternative fuel for power generation;
- Construction of composting plant for organic waste;



Eligible Categories

Sustainable and Efficient Packaging

- Reduction in the amount of raw material used in packaging;
- Increase in recyclability;



Reduction in raw material

- Process optimization to reduce animal feed consumption. This implies improving the consistency of the feed, resulting in reduced consumption of grains and other raw materials.

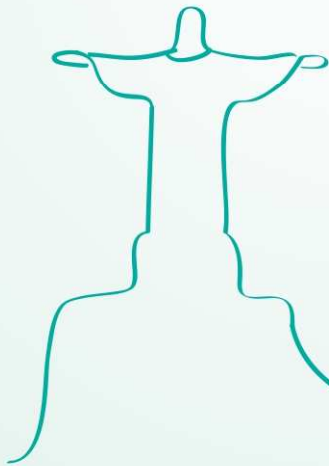




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Light



Comissão Brasileira do Relato Integrado

GT de Empresas Pioneiras em Relatórios de Sustentabilidade e GT de Investidores

Investor's Day

BM&FBOVESPA

August/2015

#orgulhodeserlight



Sustainability as Corporate Strategy

110 years of history

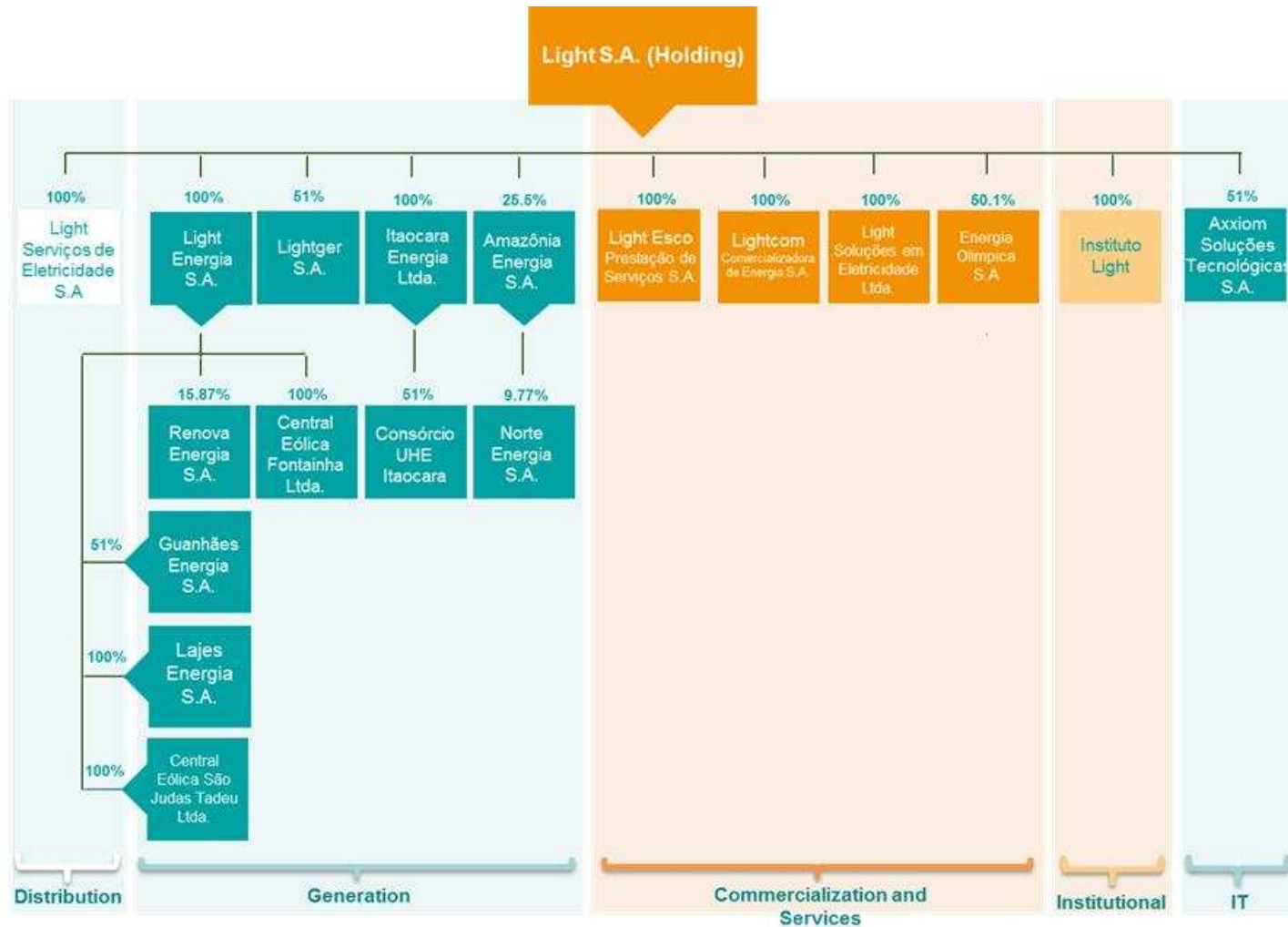
- **Light in numbers**
- **Framework & strategy**
- **Sustainability effort**
- **Why investing in Light?**

Light in numbers



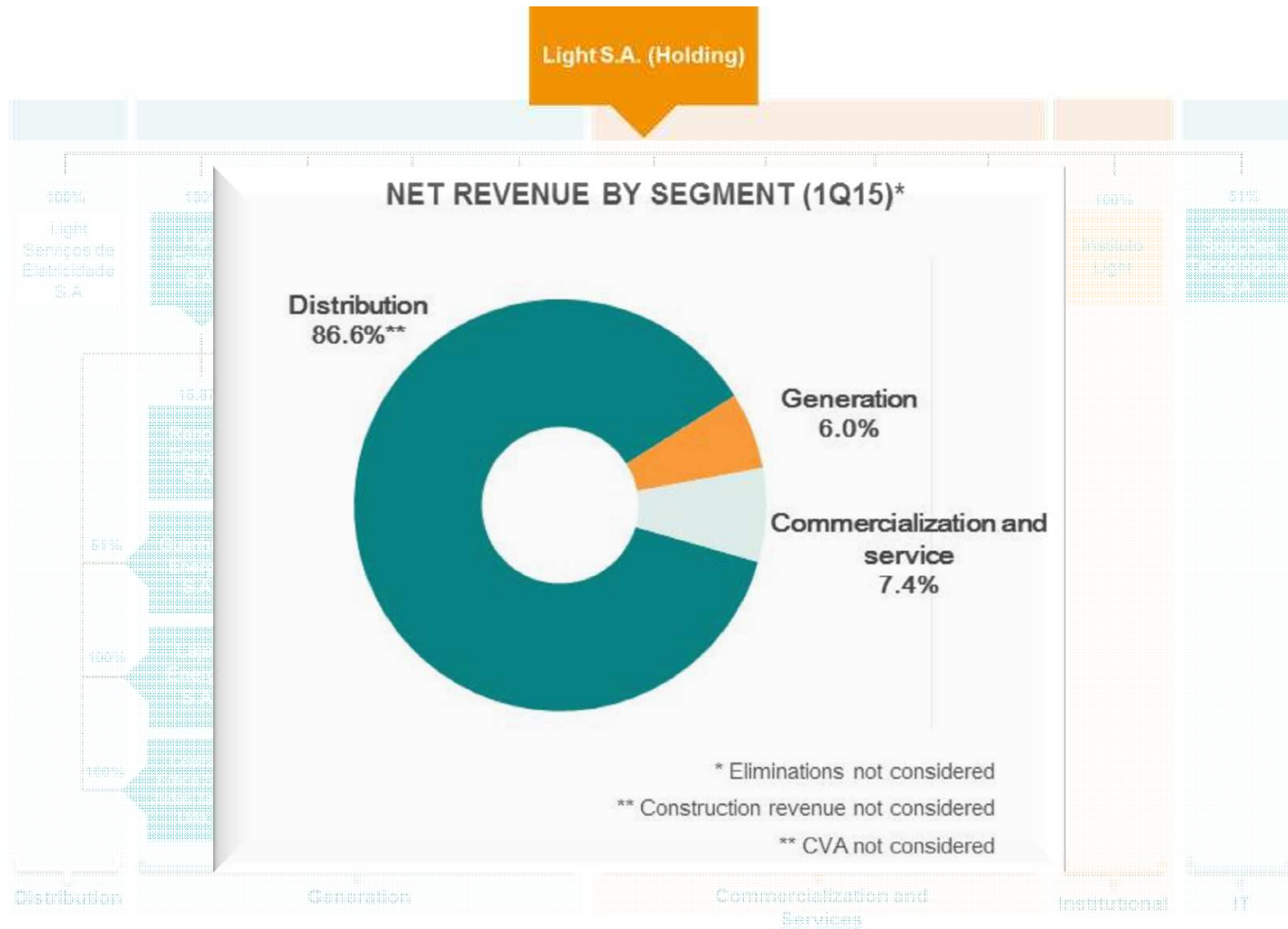
Light Holdings

Diversified structure comprised of Distribution, Generation and Commercialization segments



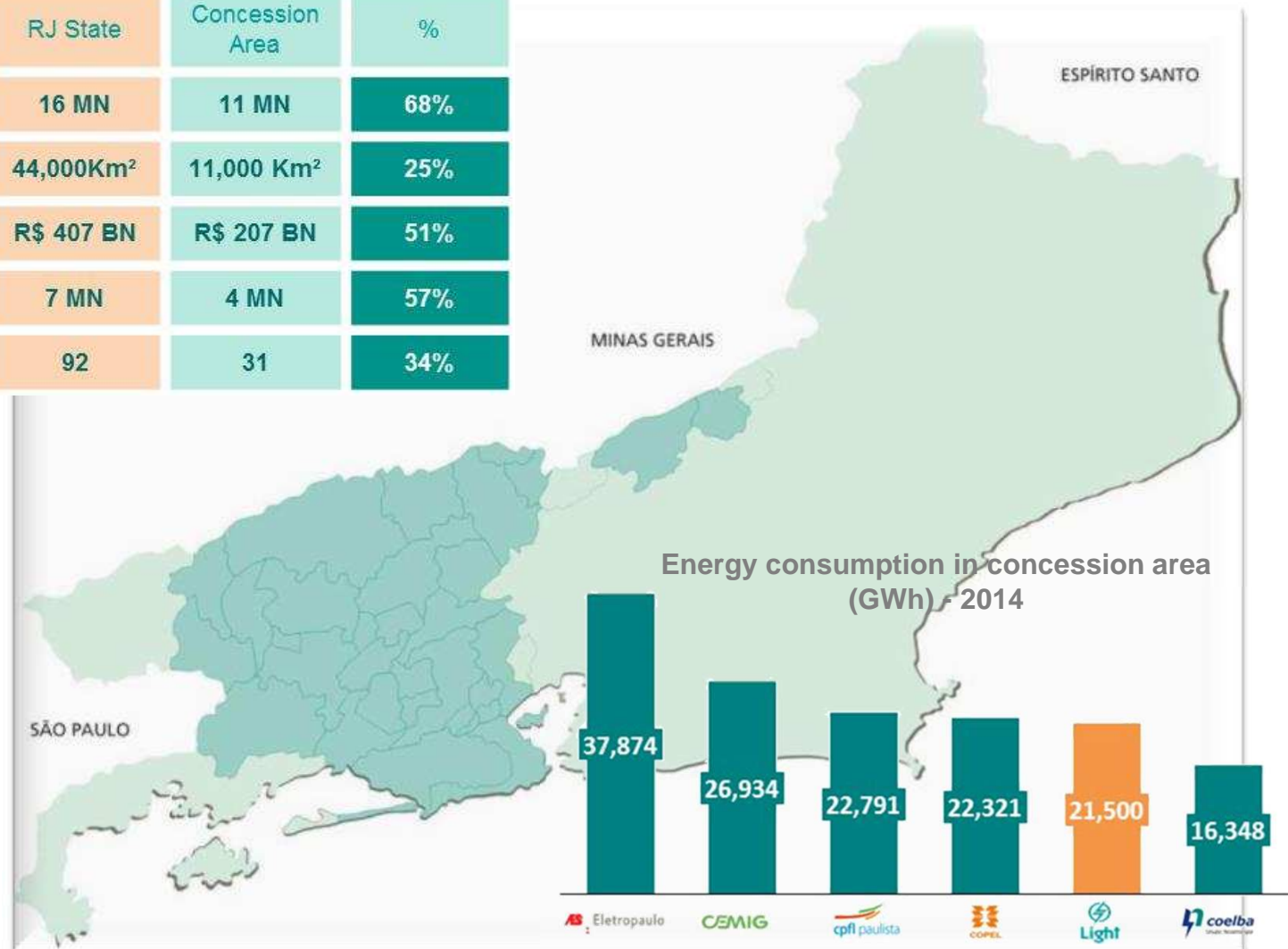
Light Holdings

Diversified structure comprised of Distribution, Generation and Commercialization segments



Light - Distribution

DISTRIBUTION	RJ State	Concession Area	%
Population¹	16 MN	11 MN	68%
Área¹	44,000Km²	11,000 Km²	25%
GDP¹	R\$ 407 BN	R\$ 207 BN	51%
Consumers	7 MN	4 MN	57%
Municipalities	92	31	34%



Framework & strategy



Framework & strategy

Sustainability

As a catch-all term, sustainability can be pretty nebulous

Corporate sustainability

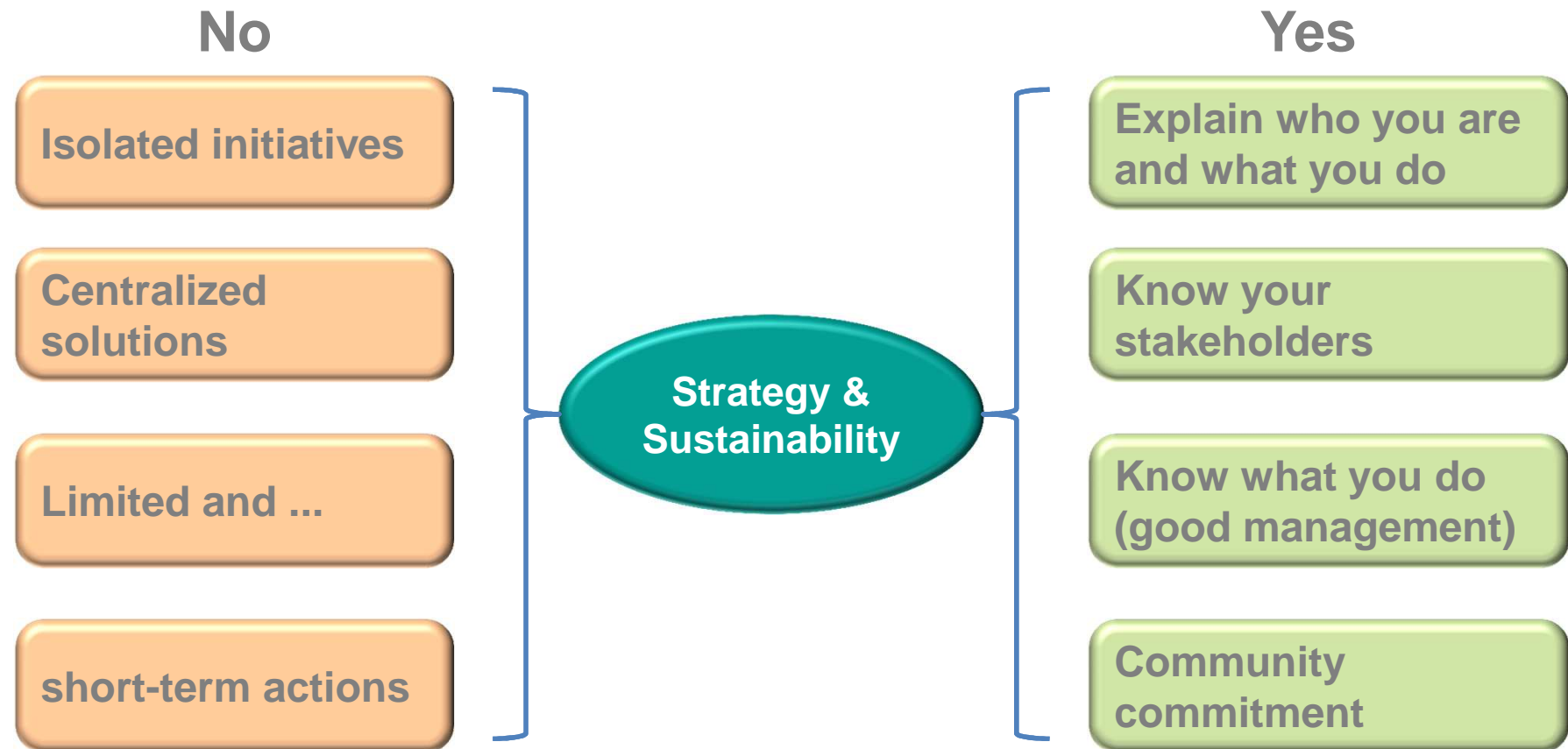
Long-term business vision that incorporates social and environmental dimensions of Light's strategy, as well as economic and financial dimension.

Fundamental requirements:

- Ethics;
- Transparency;
- Effective communication with stakeholders;
- Good corporate governance practices and
- Accountability

Framework & strategy

Sustainability at Light



Framework & strategy

Sustainability at Light



Framework & strategy

Sustainability at Light



- Sustainable operation
- Sustainable economics
- Sustainable environment
- Sustainable relationships



Energy distribution business model in low-income communities

New relationship model with the low-income population



Sustainability effort



Sustainability effort

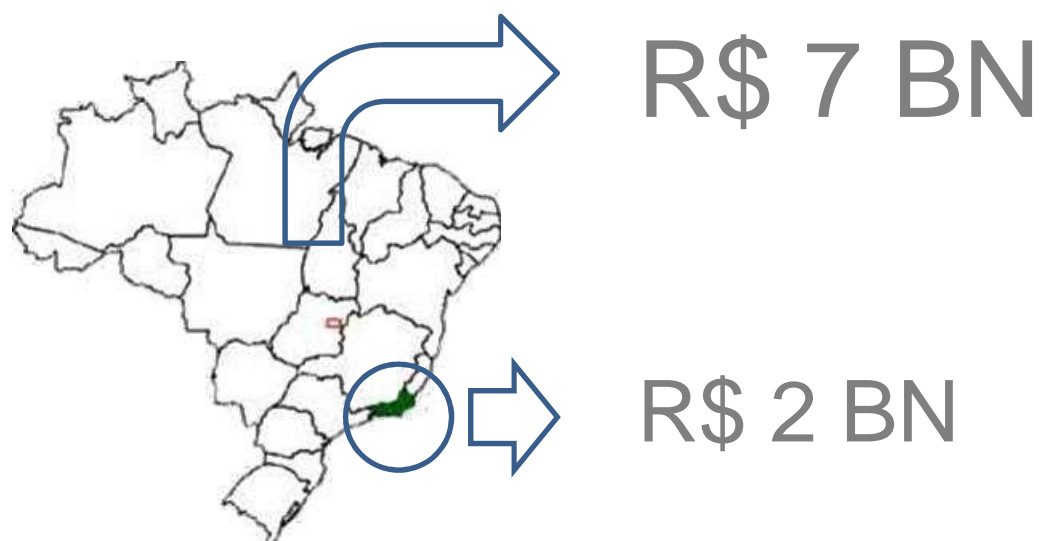
Non technical losses of Light



	Light	Vale	Litorânea	Leste	Oeste	Baixada
Clients (quantity)	4,202,337	436,693	839,751	879,682	988,927	1,057,284
Low Voltage Market Billing (GWh)	14,503	1,247	5,111	2,754	2,789	2,602
Non technical losses (GWh)	5,927	52	177	1,809	1,888	2,001
Non technical losses / low voltage billing (%)	40.87	4.17	3.46	65.69	67.72	76.90
Number of clients in APZ areas	661,069	-	65,230	102,184	155,514	338,141

Sustainability effort

Non technical losses of Light



(2014)

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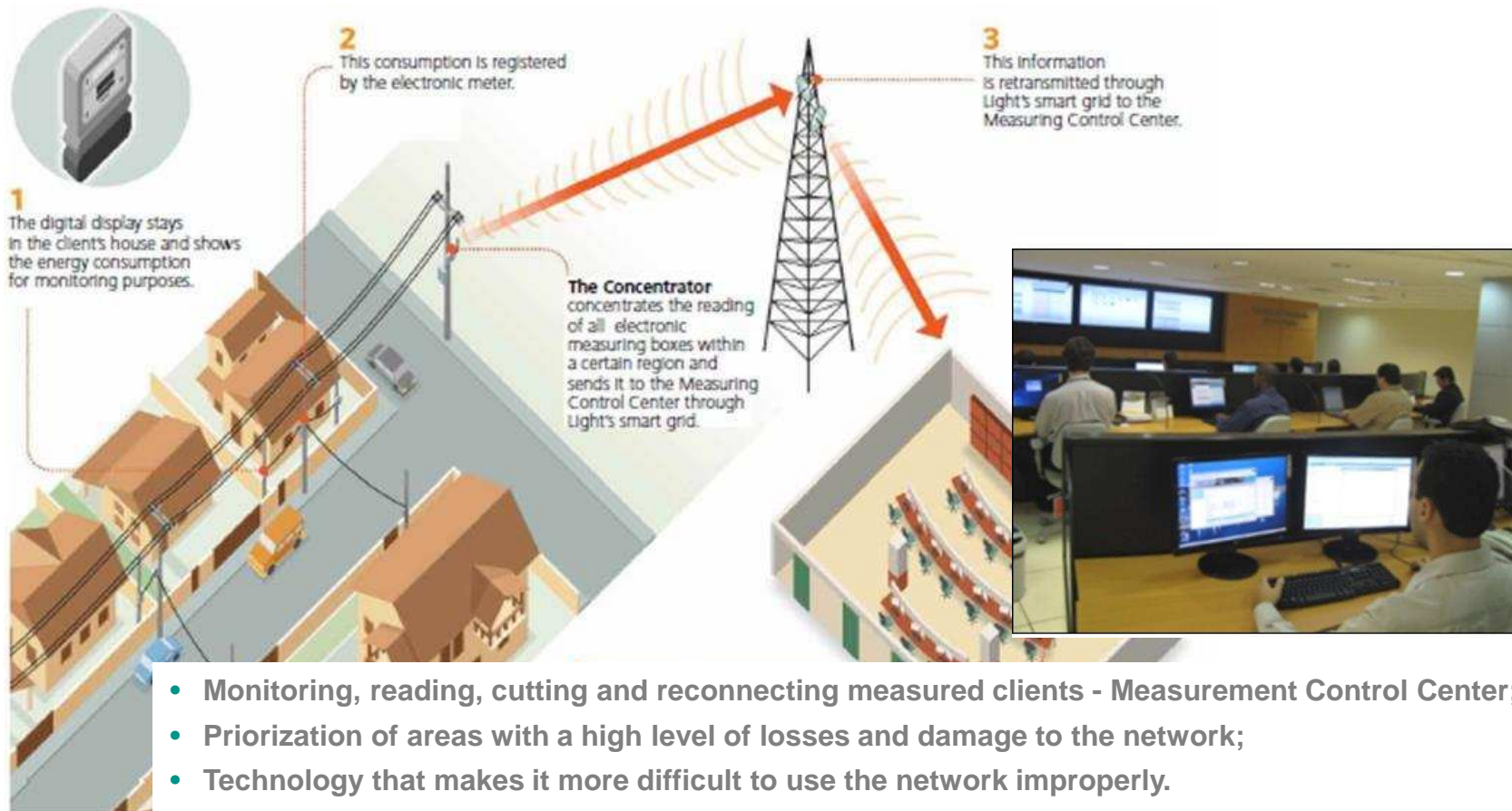
#orgulhodeserlight



Sustainability effort

Loss Reduction Strategy

Efficient combination between technology and effective management



Sustainability effort

Zero Losses Area - “Light Legal”

Significant loss reduction and increasing collection rate

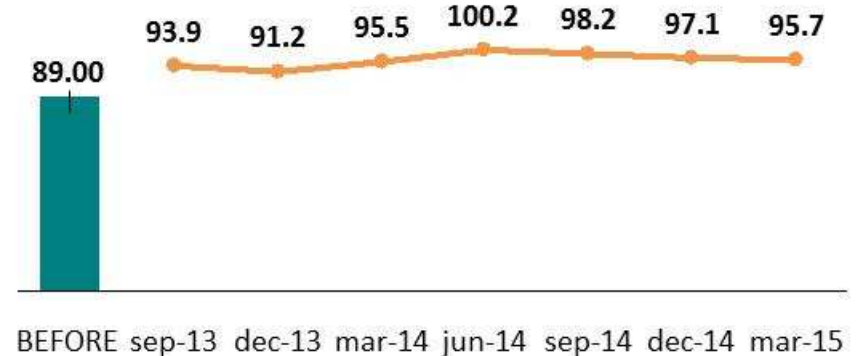
- Focused in areas with 10,000 to 20,000 clients with high level of losses and delinquency;
- Fully-dedicated teams of technicians and commercial agents;
- Results constantly and accurately monitored by Light;
- Result-linked remuneration for services provided;
- 37 units implemented with 661 thousand clients (15% total)



APZ LOSSES

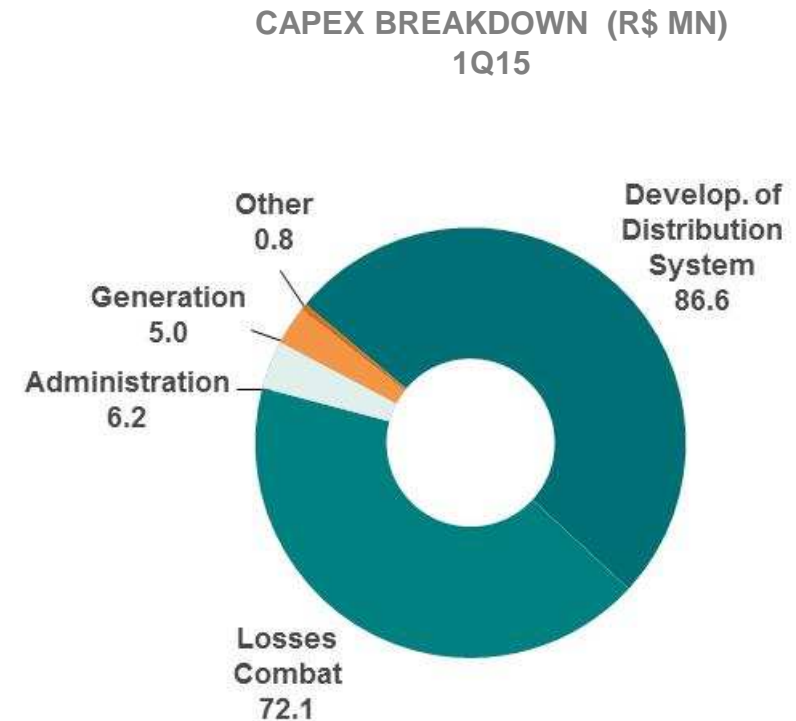
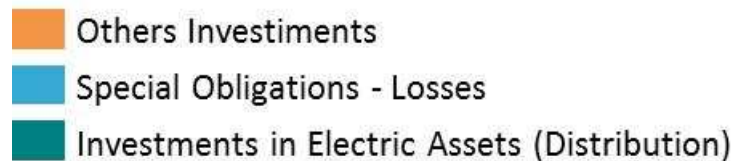
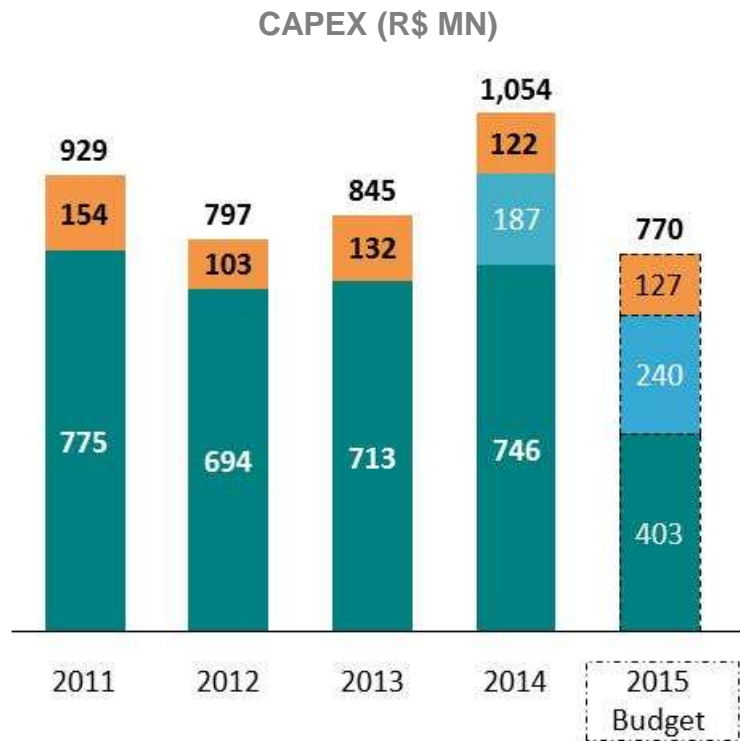


APZ COLLECTION



Sustainability effort

Investments



Sustainability effort

Community commitment

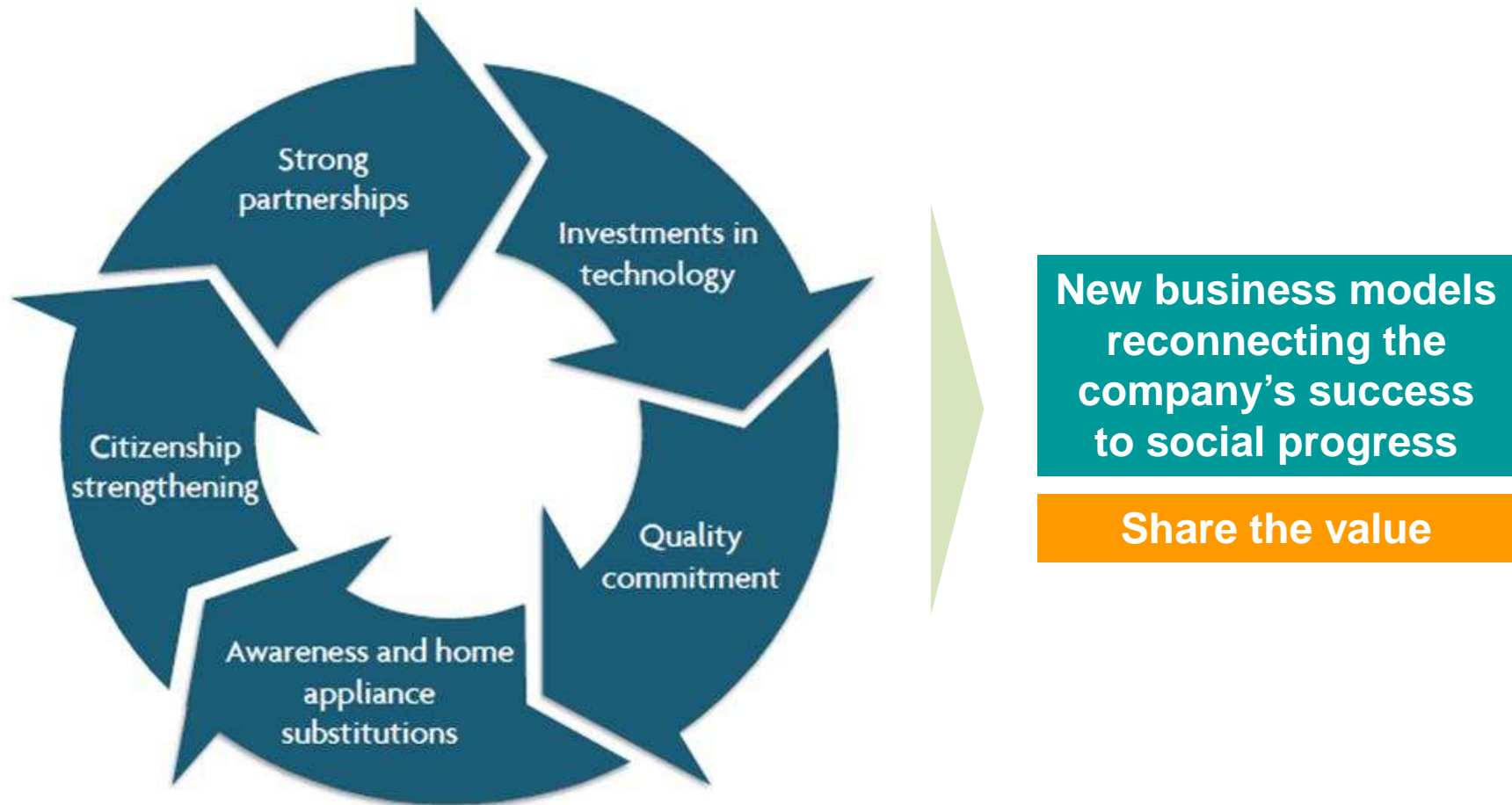
Citizenship strengthening & Investments in technology



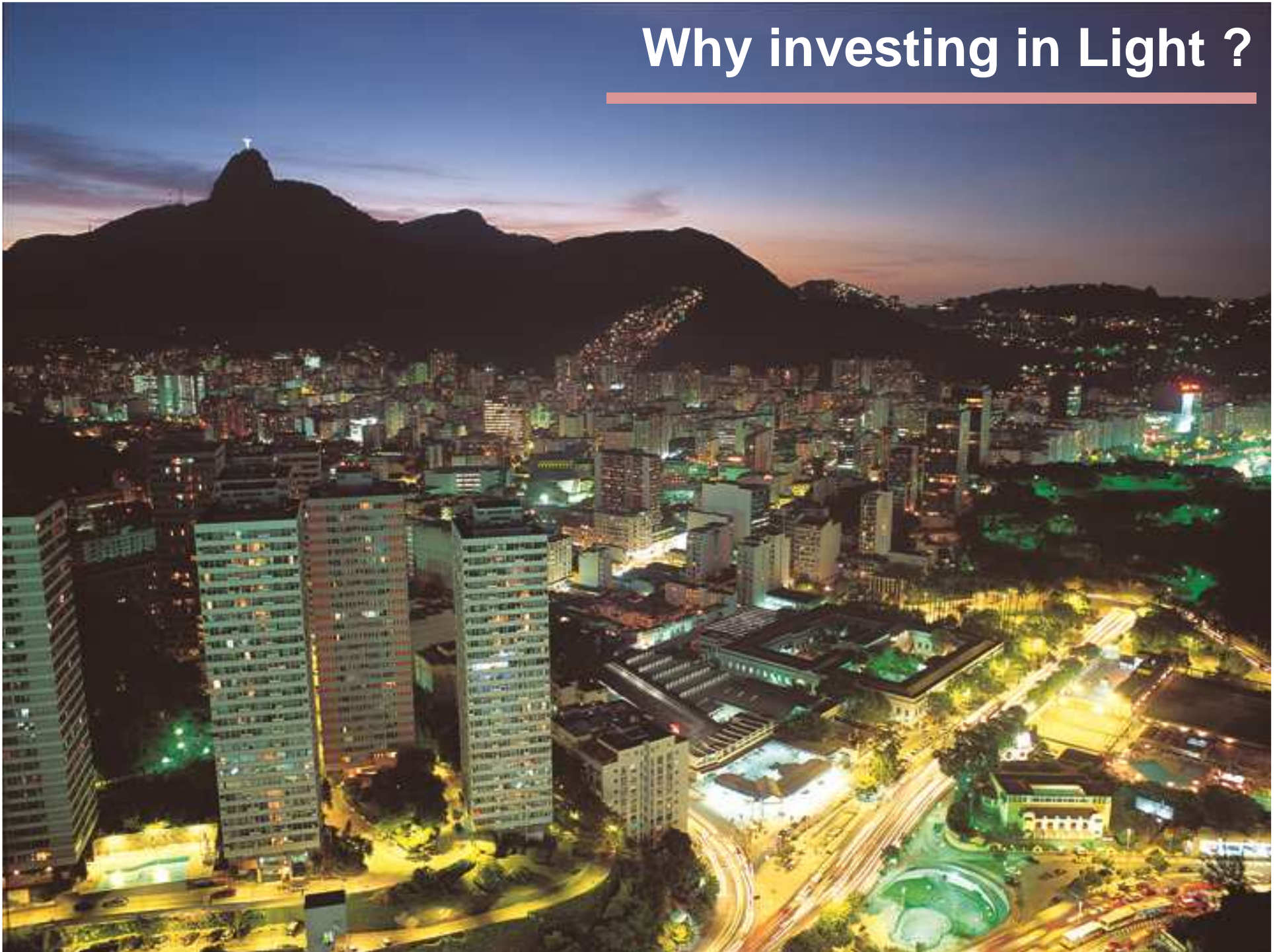
Sustainability effort

Community commitment

Redesigning the business model



Why investing in Light ?



Why investing in Light ?

Economic Transformation in the Concession Area

- ✓ Rio as a host of major events
- ✓ Communities pacification
- ✓ Pro-business environment
- ✓ Investment projects hub
- ✓ Energy Market growth

Energy Commercialization focused on the free market

- ✓ New contracts in 2015
- ✓ Energy available for commercialization
- ✓ Hedge of uncontracted energy to bear GSF deficit

Energy Losses Reduction

- ✓ Progress in the Technology Program (Smart Grid)
- ✓ New network and electronic meters in the pacified areas
- ✓ "Zero Losses Area" Program

Best Corporate Governance Practices

- ✓ Listed in "Novo Mercado" of Bovespa
- ✓ Board Committees with strong participation in the decision making process
- ✓ Included in the Sustainability Index (ISE) for the 8th year

Growth in the Generation Business

- ✓ Projects under construction with partnerships: Renova, Belo Monte and Guanhães (total of 578 MW)
- ✓ SHPP Lajes under construction (17MW).
- ✓ Acquisition of Itaocara (150 MW)

Dividend track Record

- ✓ Dividend Policy: minimum 50% of net income;
- ✓ Average payout since 2010: 75%

An aerial night photograph of Rio de Janeiro, Brazil, showing the city's lights reflecting on the water of Guanabara Bay. The city is nestled between hills and the bay, with the bay's waters reflecting the city lights. The text "Sustainable Greetings" is overlaid in the center of the image.

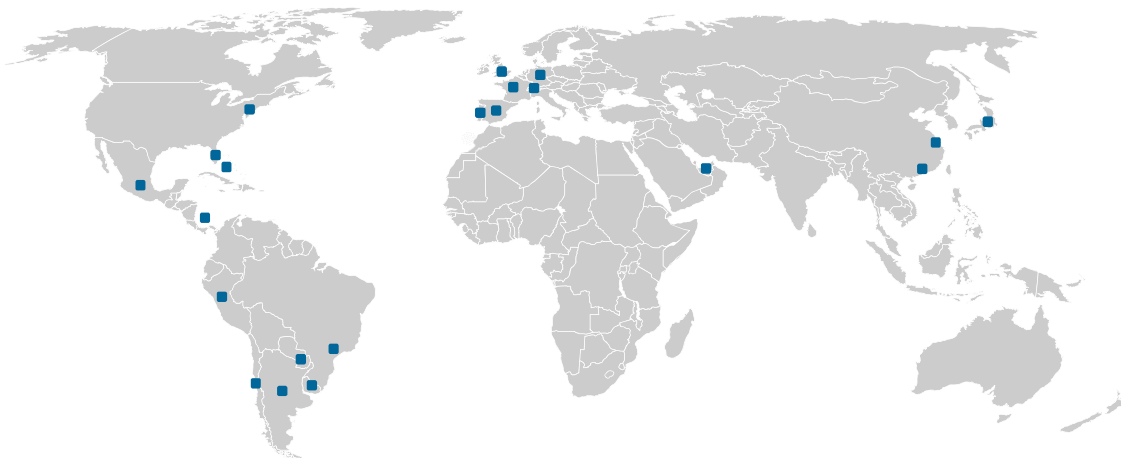
Sustainable Greetings



Leading position in Brazil through key competitive strengths

- US\$ 59.9 billion market cap ⁽¹⁾
- 91,968 employees in Brazil and abroad
- 5,003 branches and CSBs in Brazil and abroad
- 26,709 ATMs in Brazil and abroad
- Brazilian multinational bank
- Major provider of finance for the expansion of Brazilian companies
- Among the best talent pool in the Brazilian financial system

Global Footprint of Brazil's Top Private Sector Bank | as of June 30, 2015



Financial Highlights and Ratios

As of and for the quarter ended June 2015

Highlights

Total Assets	BRL 1,230.5 Bln
Total Loans ⁽¹⁾	BRL 531.7 Bln
Stockholders' Equity	BRL 100.7 Bln
Recurring Net Income 2014 ⁽²⁾	BRL 20.6 Bln
Recurring Net Income 2Q15 ⁽³⁾	BRL 6.1 Bln
Long Term Foreign Currency (Itaú Unibanco Holding)	Moody's: Baa3 Fitch: BBB+

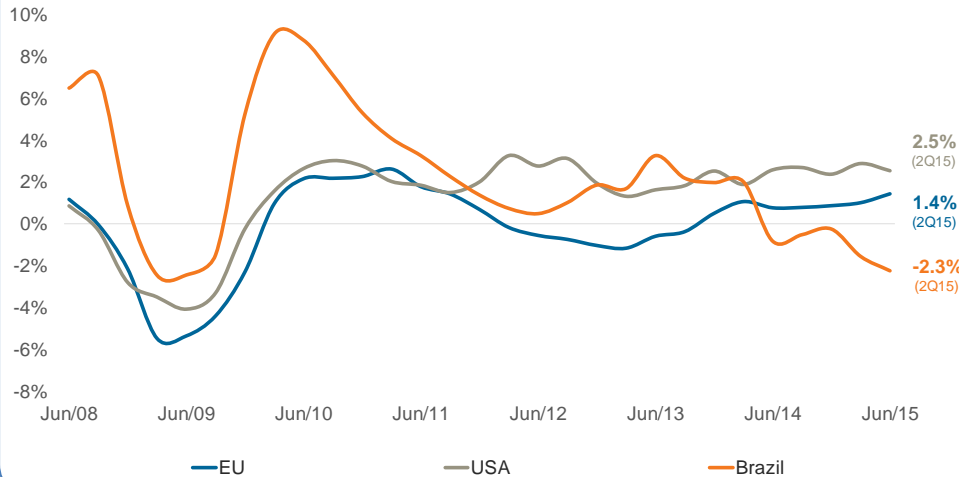
Financial Ratios

Recurring ROE 2014 ⁽⁴⁾	24.0%
Recurring ROE 2Q15 ⁽⁵⁾	24.8%
Efficiency Ratio 2014 ⁽⁶⁾	47.0%
Efficiency Ratio 2Q15 ⁽⁶⁾	42.9%
BIS III CET I Ratio ⁽⁷⁾	13.2%

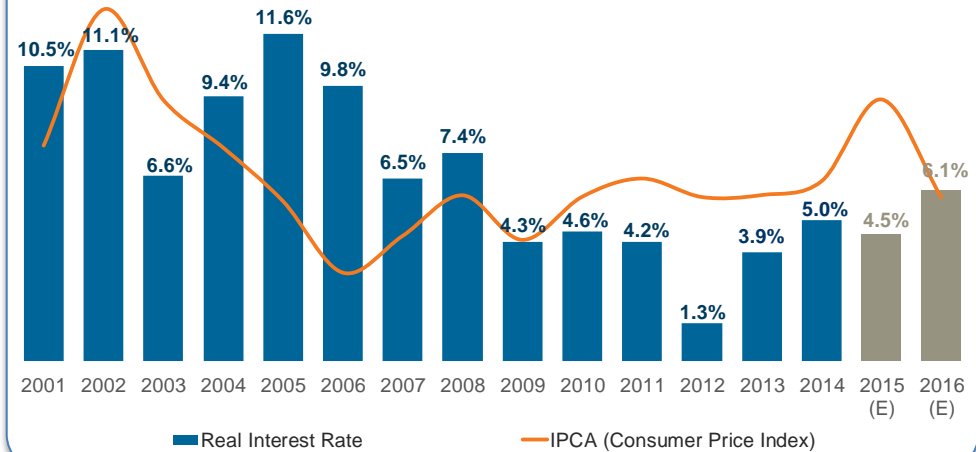
(1) Includes endorsements and sureties.
 (2) Represents Net Income adjusted for certain non recurring events described in the 4Q/14 MD&A – Executive Summary.
 (3) Represents Net Income adjusted for certain non recurring events described in the 2Q/15 MD&A – Executive Summary.
 (4) Calculated using Recurring Net Income / Average Equity. For annualized calculation method, please refer to the 4Q/14 MD&A – Executive Summary.
 (5) Calculated using Recurring Net Income / Average Equity. For annualized calculation method, please refer to the 2Q/15 MD&A – Executive Summary.
 (6) For criteria refer to "Efficiency Ratio" slides 89 -91 – Institutional Presentation
 (7) This ratio is our current number which considers the phase in regulation. For more details see "Capital Ratios" slide 92 – 93 – Institutional Presentation

Brazil | Macroeconomic Outlook

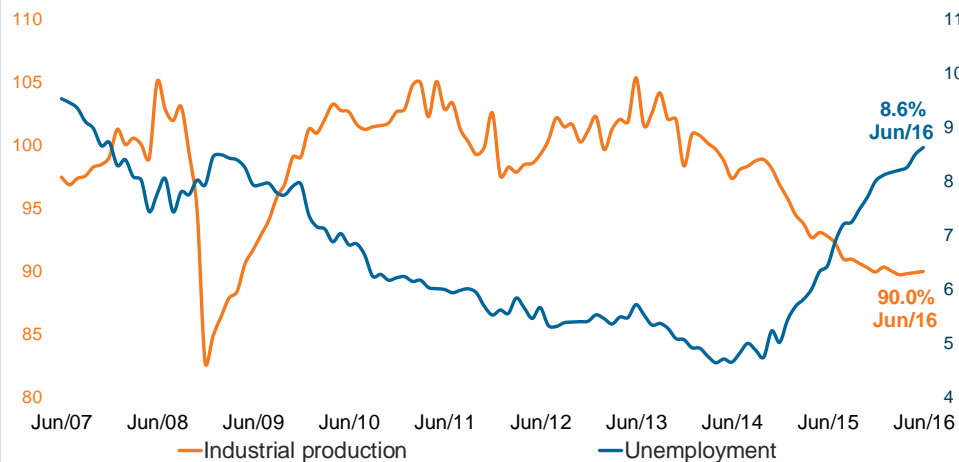
GDP | % (YoY)



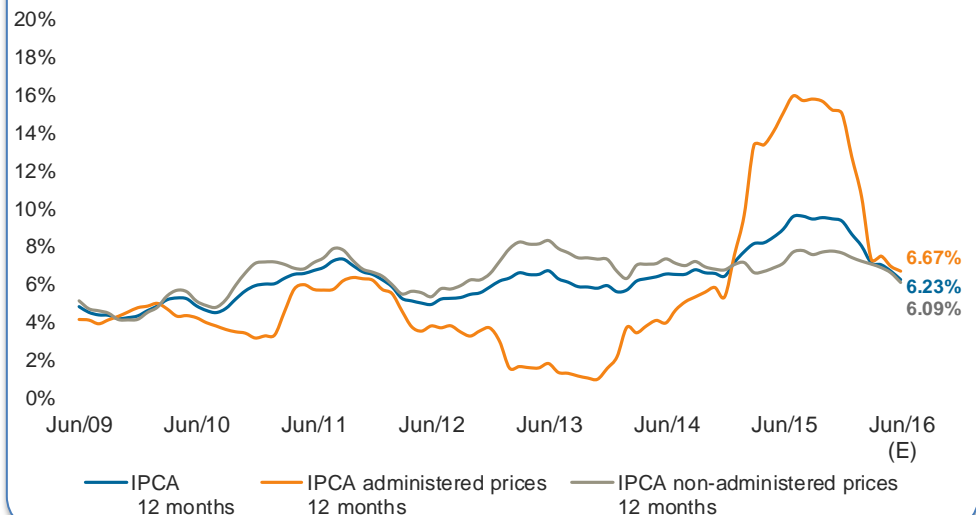
Real Interest Rates | Selic/IPCA % ¹



Industrial Production x Unemployment

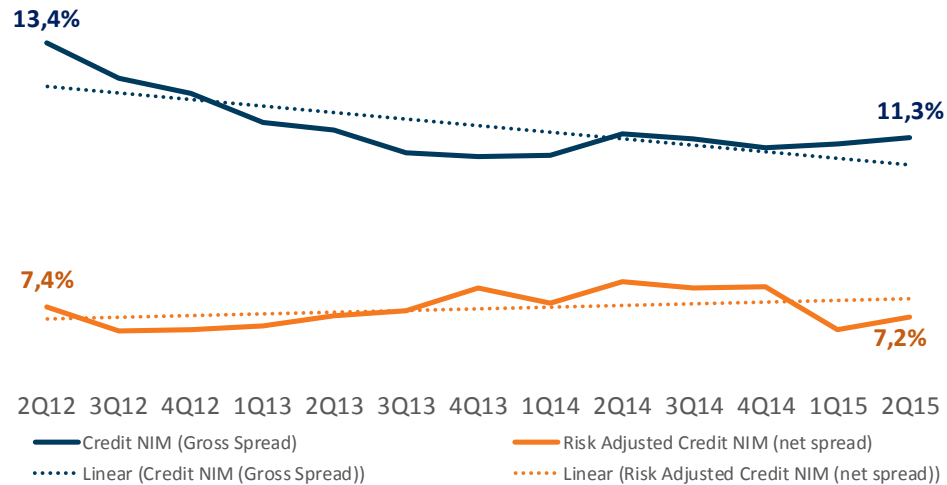


Inflation Breakdown

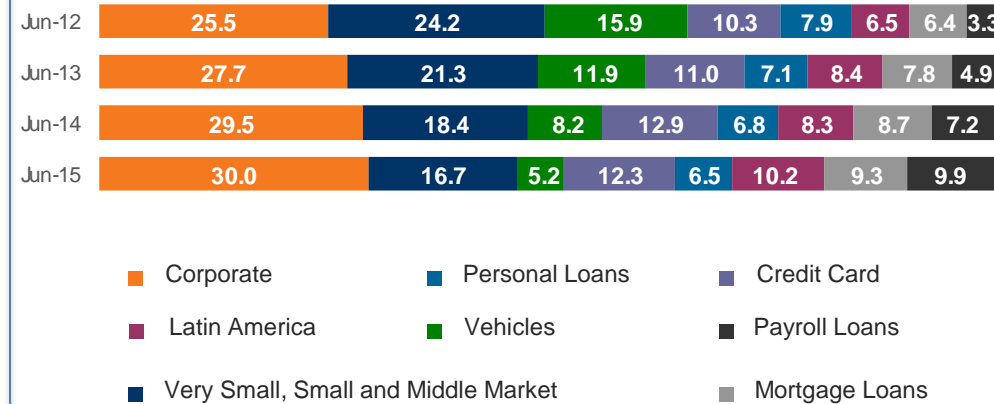


With signs of headwinds on the economic front, Itaú Unibanco is prepared for a challenging scenario.

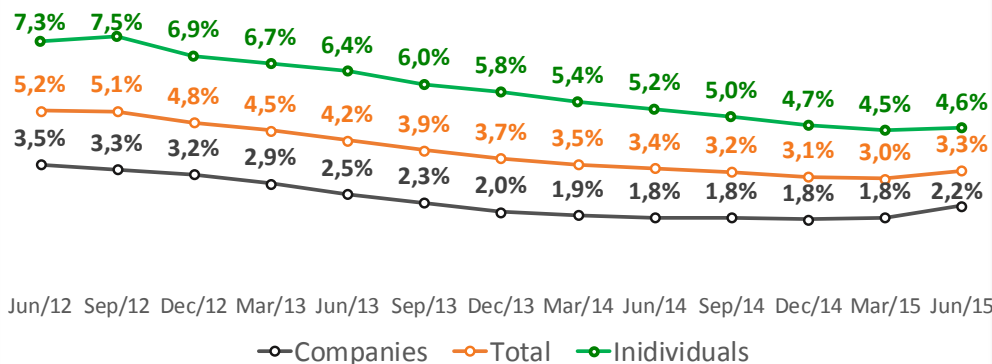
Net Interest Margin



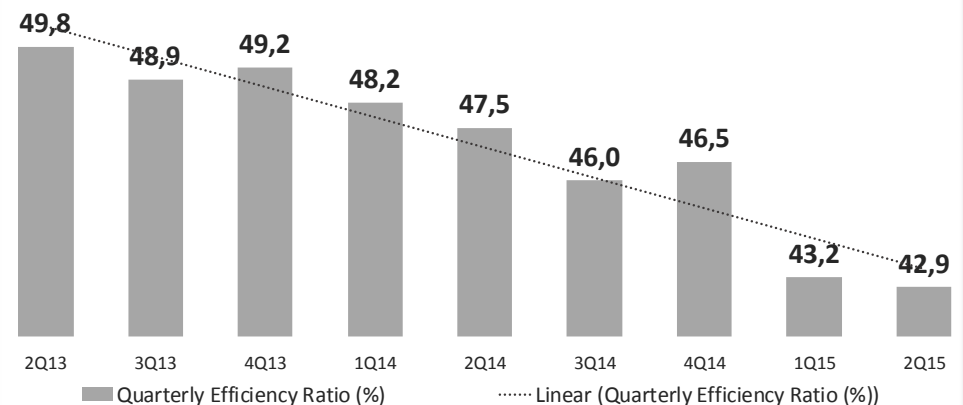
Change in the Portfolio Mix



90-day NPL Ratio

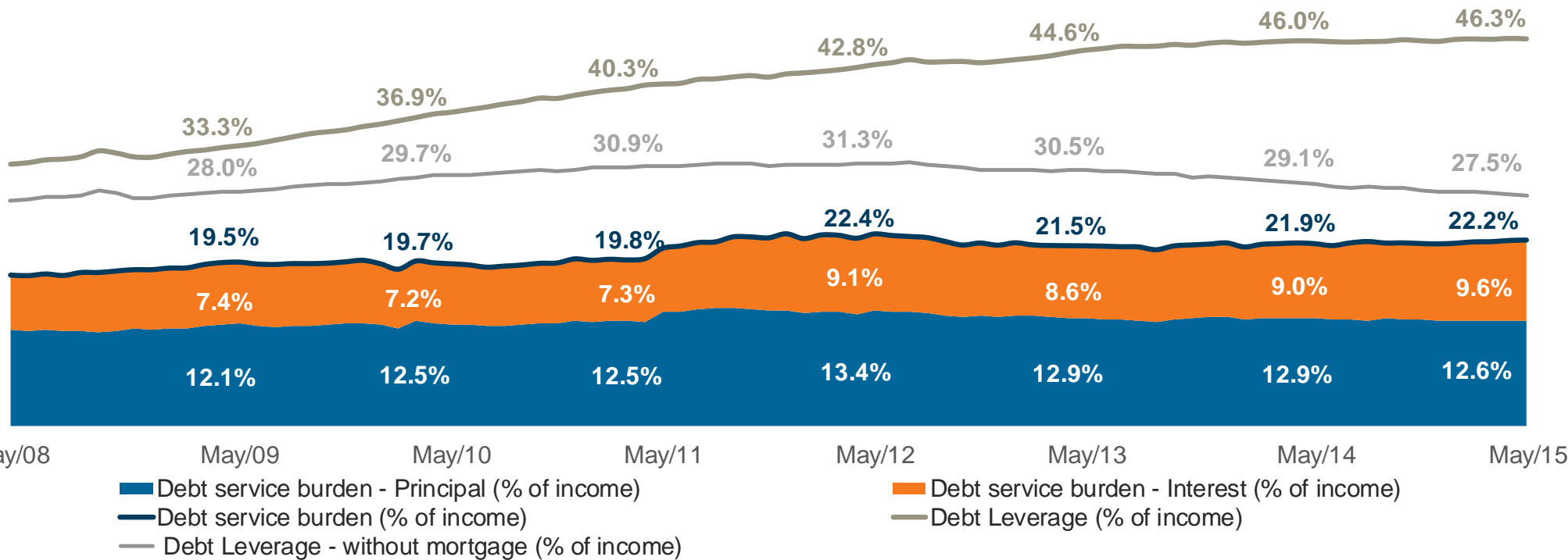


Efficiency Ratio (%)



Credit levels are growing from a very low base

- Total credit has room to grow to a higher percentage of the GDP, from current 60.1%, approaching per capita adjusted international levels in 2020.
- The debt leverage is increasing due to the mortgage increase in Brazil.



Note: Source: BACEN / Itaú Unibanco analysis.



1960

High inflation

- Overnight
- Purchases to optimize salary

1994

Economic plan “Real”

- Credit expansion
- New banking products
- Banking inclusion

60,1% is the credit-to-GDP ratio in Brazil. In 2004, it was less than 25%

1/3 of the population does not have bank account**

3 out of 10 Brazilians save money- 68% of them through saving account**

Our strategy

1

Promote financial education and transparency focusing on customer satisfaction

2

Offer knowledge and appropriate financial solutions for each goal of the customer's lifetime

3

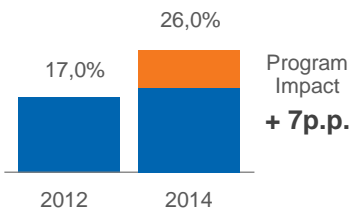
Make assertive offers: the right product at the right time to the customer

Multipliers Program

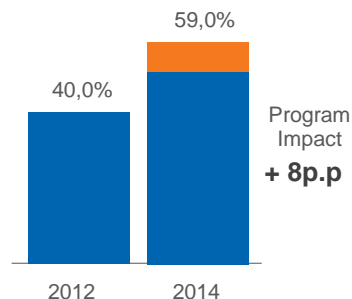
100% of managers of Customer-Site Branches were trained in financial education. Since 2012 more than 230 lectures and 7,000 customers affected

Impact Assessment (% clients)

Pension



Investments



Sharing Financial Education Content



Online platforms with didactic videos, tutorials and guidance on Credit, Insurance and investment: 2.7 million views in 2014

Review the offer of debt renegotiation products considering concepts of financial education and transparency. The new offer has a higher level of product hiring

Social-Environmental Risks

Legal and Regulatory Risks

- Compliance with social and environmental legislation

Reputational Risk

- Protect and develop reputation
- Avoid negative media publicity and involvement with critical issues

Credit Risk

- Avoid potential losses due to exposure to social and environmental events affecting our clients

Our strategy

1 Own Operations

Mitigation of bank's direct impacts, including the consumption of energy, materials, water and the emission of greenhouse gases



The biggest green data center in Latin America with LEED certification:

43% reduction of energy consumption

Processing capacity 16 times greater than the previous

Business Continuity Program— contingency plan for social and environmental aspects

2 Assessment by project or companies financed and invested



Credit

- Prohibited and Restricted List
- Environmental Contract Clauses
- Analysis of Warranties (real estate)
- Questionnaire for environmental issues

In 2014, 2 projects evaluated by EP, total of 5,014.1MM.

Investment

Own methodology for incorporating ESG issues into the valuation of assets:

- 100% of Bovespa Index and ISE
- 50% of corporate bonds

3 Macroeconomic View

Studies considering the macroeconomic impact and consequences for companies of environmental and social issues



We estimate the impact of increased regulation and charging fees for water. Most affected sectors: sewage collection, mining, steel, food and beverages, energy and sugar and alcohol.

We estimate the impact of a joint water and electricity rationing as an additional -0.6 p.p. on GDP growth in 2015



Board of Directors	Provides support for long-term strategies and guide our sustainability policy	Annual
Sustainability Executive Committee	Responsible for integrating business and sustainability strategies	Semiannual
Sustainability Committee	Implements our sustainability strategy, ensuring its management and monitors the progress of actions and the development of goals.	Semiannual
Specific Committees	A set of committees that manage relevant initiatives directly with our business units	As demanded by each committee



Studies and Research



Voluntary Commitments



Sustainability Indexes (ISE and DJSI)



Stakeholder Engagement

1

Identification of gaps

2

Prioritization and valuation of gaps

3

Integration by governance

4

Monitored by compliance

Recognition



Most valuable brand in Brazil. Market value of R\$ 21,7 billion



In 2014, Itaú Unibanco was recognized by Exame as the Benchmark in Sustainability among the Brazilian Financial Institutions



Best Companies to Launch a Career 2014



Thank you

iir@itau-unibanco.com.br
sustentabilidade@itau-unibanco.com.br